

**Pareto Securities E&P Independents Conference**  
**January 19, 2011**  
**CEO Kjetil Solbrække**

---

Panoro Energy  
Panoro Fuelax

---



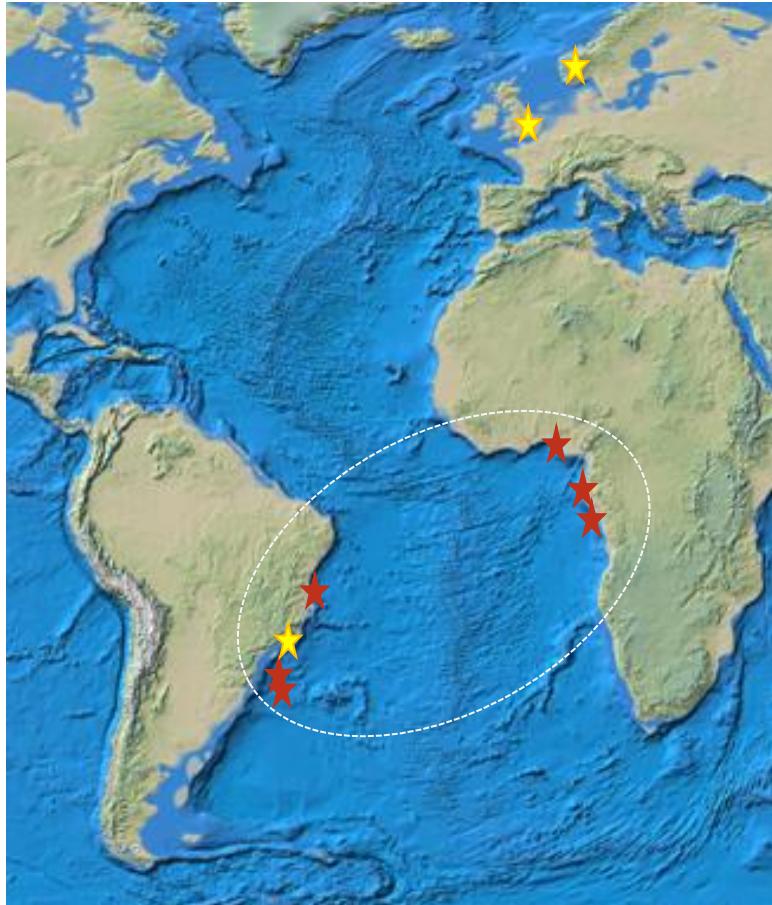
# Disclaimer

---

*This presentation does not constitute an offer to buy or sell shares or other financial instruments of Panoro Energy ASA (“Company”). This presentation contains certain statements that are, or may be deemed to be, “forward-looking statements”, which include all statements other than statements of historical fact. Forward-looking statements involve making certain assumptions based on the Company’s experience and perception of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual events or results may differ materially from those projected or implied in such forward-looking statements due to known or unknown risks, uncertainties and other factors. These risks and uncertainties include, among others, uncertainties in the exploration for and development and production of oil and gas, uncertainties inherent in estimating oil and gas reserves and projecting future rates of production, uncertainties as to the amount and timing of future capital expenditures, unpredictable changes in general economic conditions, volatility of oil and gas prices, competitive risks, regulatory changes and other risks and uncertainties discussed in the Company’s periodic reports. Forward-looking statements are often identified by the words “believe”, “budget”, “potential”, “expect”, “anticipate”, “intend”, “plan” and other similar terms and phrases. We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation, and we undertake no obligation to update or revise any of this information*

# Panoro Energy ASA

## Company snapshot



★ Offices: London, Rio, Oslo  
★ Panoro license area



Ticker code (Oslo Stock Exchange): PEN

Shares outstanding: 163.9 million

Market Cap<sup>1</sup>: ~240 USDm

Reserves & Resources (P50): ~175 MMBOE

Production (Q4-2010): 4,200 BOE/d

Largest shareholder: Sector (~66%)

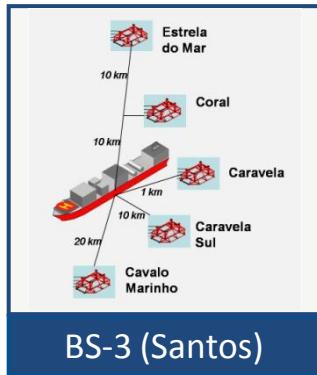
1) Per Jan 14, 2011

# Attractive and balanced asset portfolio

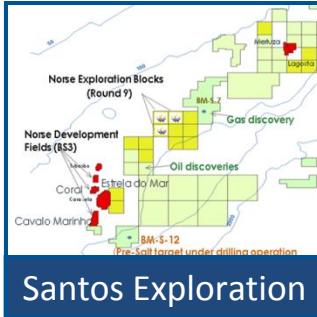
## E&P independent with South Atlantic focus



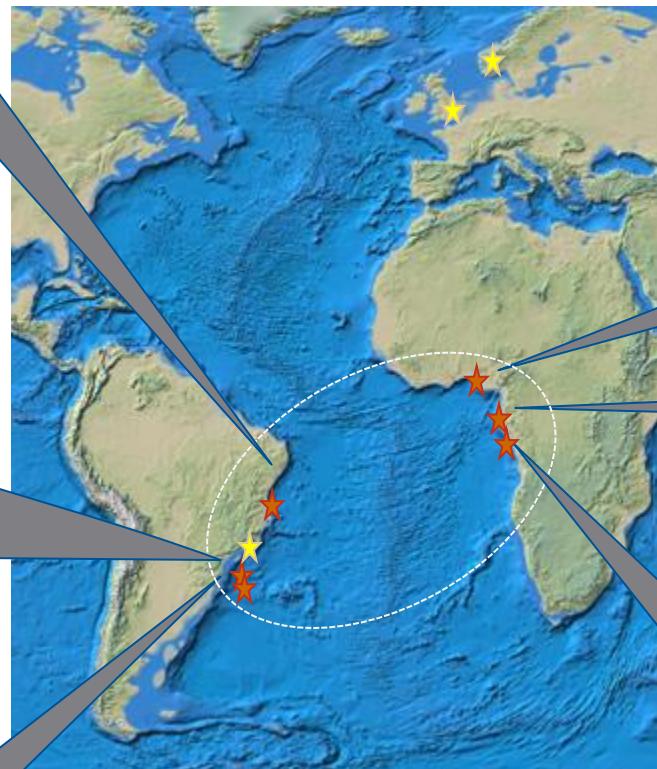
Manati



## BS-3 (Santos)



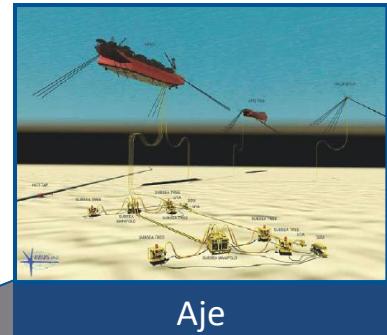
## Santos Exploration



 *Offices: London, Rio, Oslo*  
 *Panoro license area*



## Congo MKB



Aje

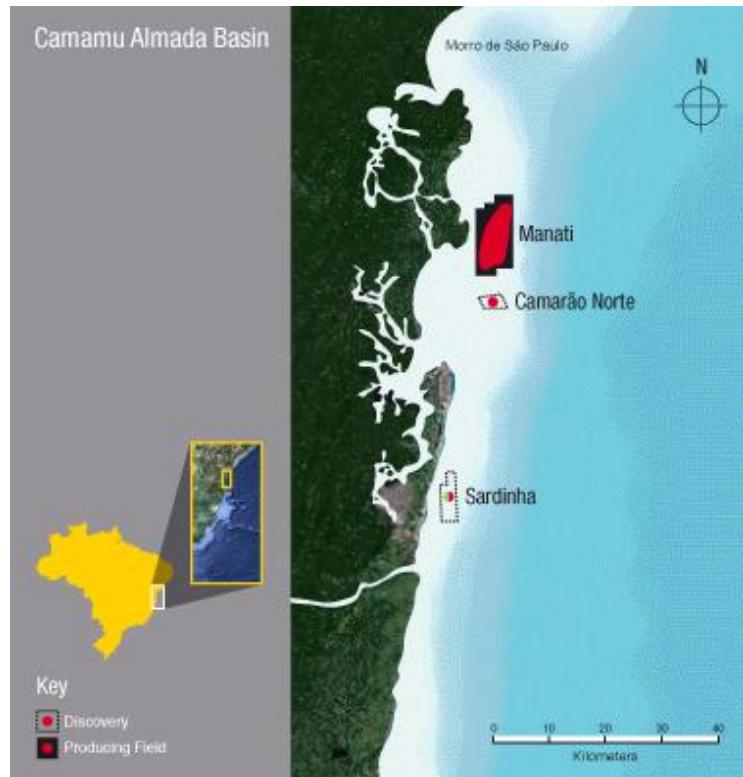


## Dussafu

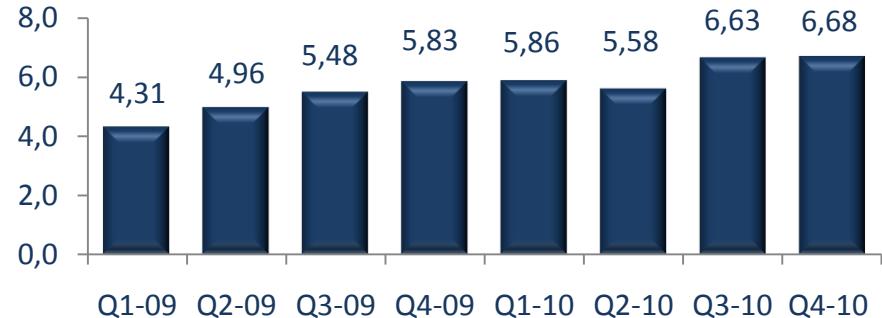
# Manati (10%)

Brazil's largest non-associated producing gas field

Manati (Brazil)		BCAM-40
Operator	Petrobras (35%)	
Working Interest	10%	
Other Partners	Queiroz Galvão (45%), Brasoil (10%)	
1st Prod	2007	
Current stage	Production	



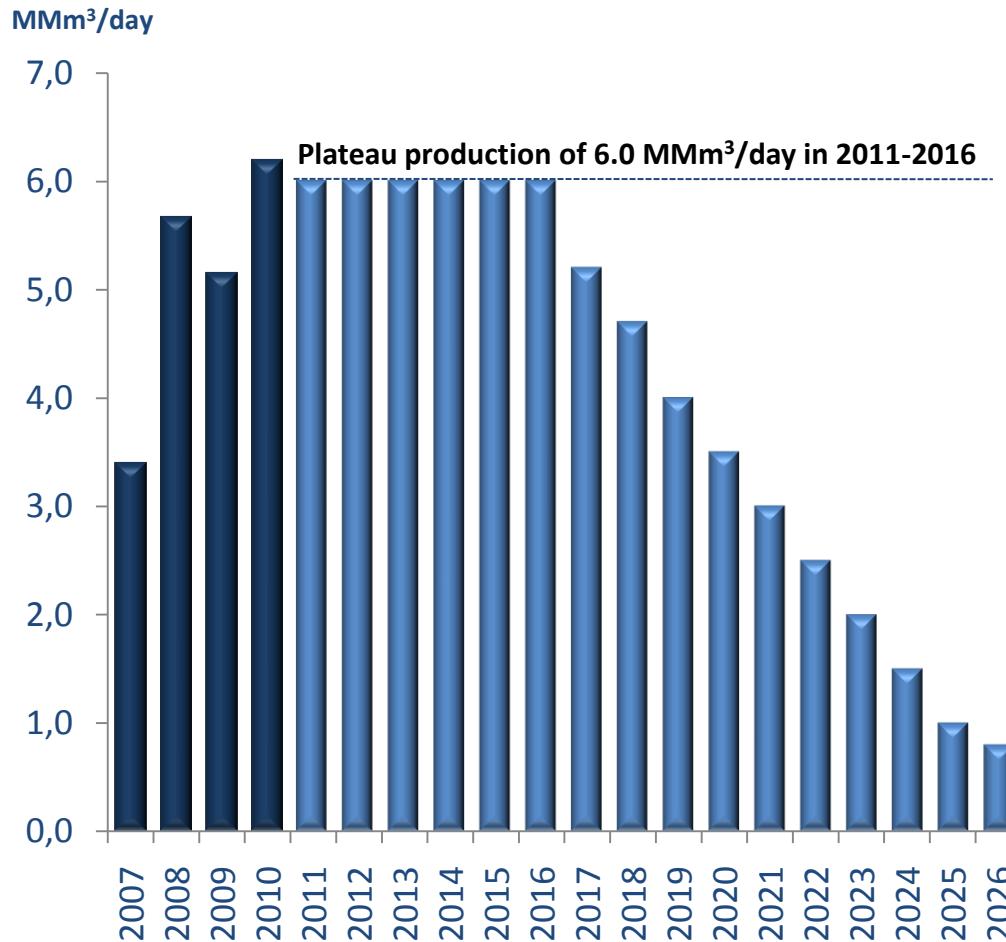
Gross production MMm<sup>3</sup>/day



- Average production of 6.19 MMm<sup>3</sup>/day in 2010 (3,900 boe/day net to PEN) and 6.68 MMm<sup>3</sup>/day in Q4-2010 (4,200 boe/day net to PEN)
- Inflation adjusted fixed gas price, fixed in Brazilian Reais; USD 7.73 per MMBtu in Q3-2010
- Take-or-pay contract with Petrobras secures long-term cash flow

# Manati – 2P Production Profile

Manati 2P production profile (gross)

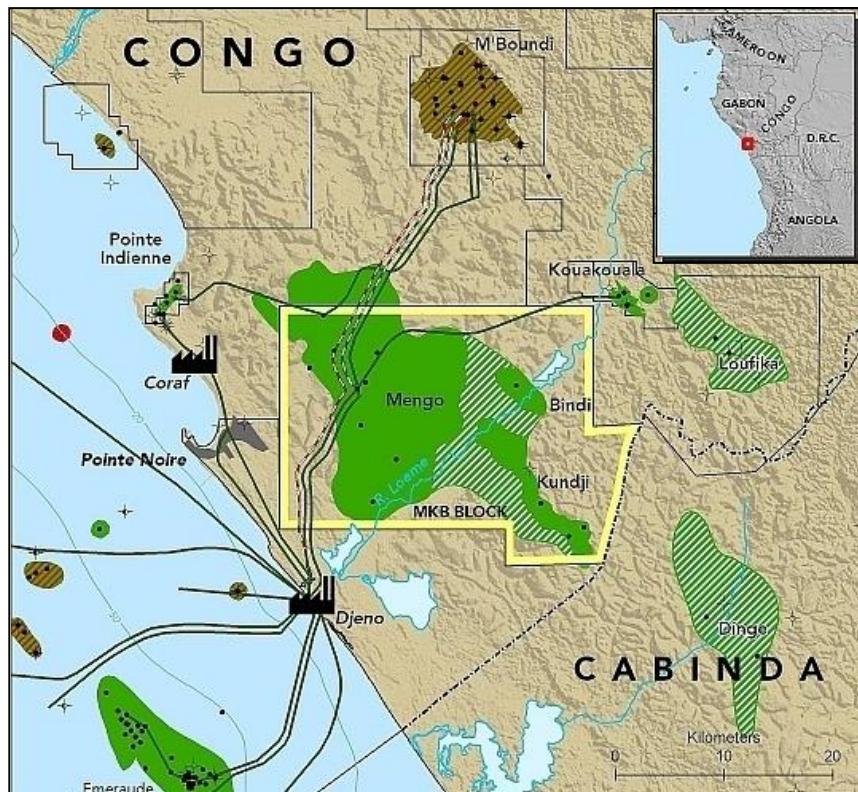


- 2P production profile based on license figures provided by Petrobras
- No further wells needed to produce 2P reserve estimate
- Discussions ongoing to increase contract from ~23 to ~30 Bcm
- Additional volume potential identified

# Mengo-Kundji-Bindi (20%)

Resource play with very large oil in place volumes

MKB (Congo)	
Operator	SNPC - Congo National Oil Company (60%)
Working Interest	20%
Other Partners	PetroCI (20%)
1st Prod	2011 pilot program
Current stage	Pilot project commenced



## A proven producer

- Three fields produced by Elf from 1980-92
- Significant oil in place (>1 billion bbl) with significant STOOIP upside
- Modern hydraulic fracturing technology has resulted in a step change in production performance

## Pilot project commenced in Kundji

- Two wells drilled in 2009, successfully fracked
- 6 additional wells to be drilled in 2011 as part of the pilot project
- Next phase of development for Kundji, as well as Mengo and Bindi areas to be based on the pilot project

# Mengo-Kundji-Bindi (20%)

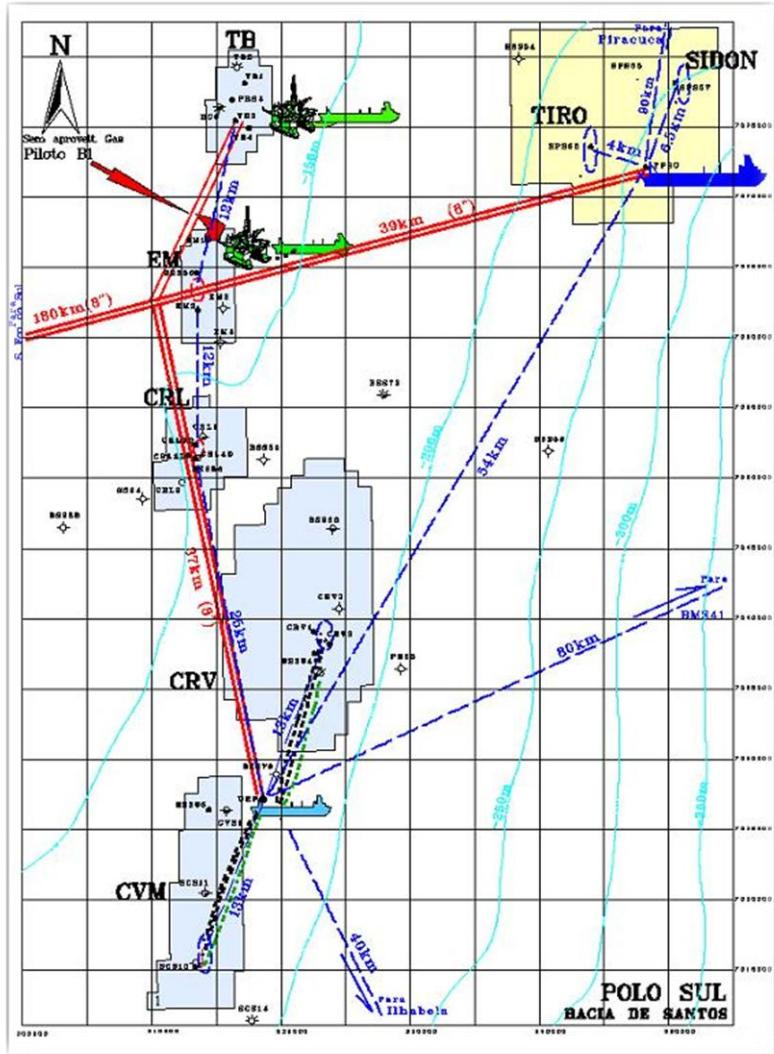
## Positive production tests

---



- Well testing to date have confirmed:
  - Sufficient permeability
  - Good results from fracking
  - Oil flow without formation water
- Established combined production capacity of approximately 900 bopd from KUN-4bis and KUN-5
- Wells expected to be opened for commercial production H2 2011
- Drilling to resume in H1 2011
  - Optimizing well design
  - Improve execution

## BS-3 area – New development plans filed Jan 13, 2011 Cavalo Marinho (50%), Estrela do Mar (65%)

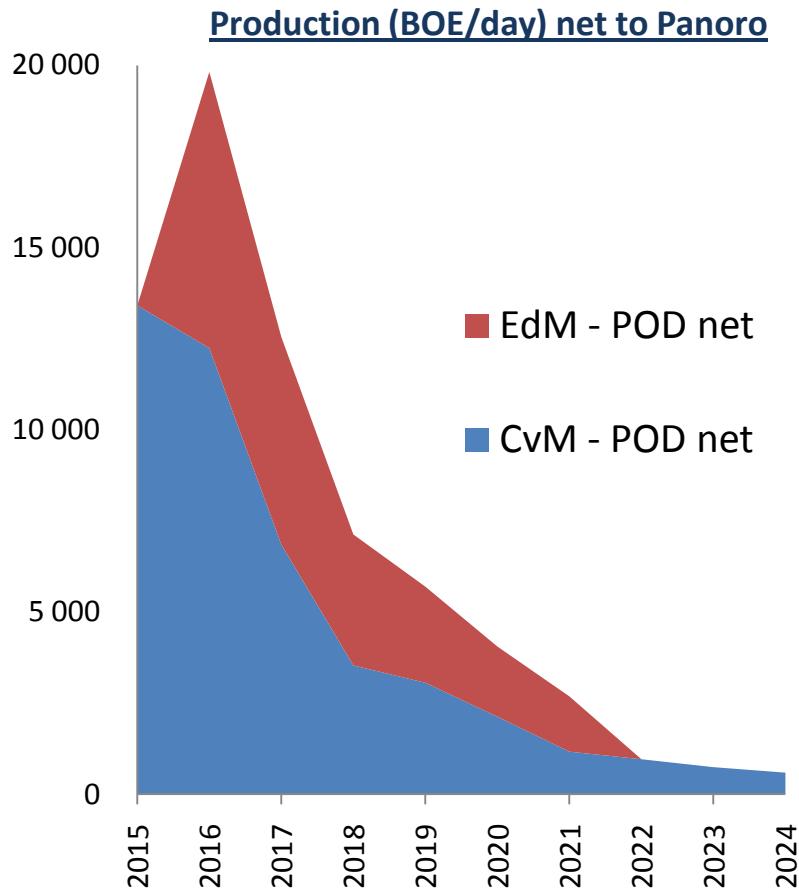


- Shared gas export system, also with other fields in the area (e.g Tiro and Sidon)
- Pilot production in B1 reservoir in Estrela do Mar
- Integration of Estrela do Mar as a satellite connection to a common FPSO will be evaluated
- Studies planned to decide when/how to integrate redevelopment of Coral (35%)
- Final concept selection expected Q3-2011, FID expected in H1 2012

# BS-3 area – New development plans filed Jan 13, 2011

Cavalo Marinho (50%), Estrela do Mar (65%)

---

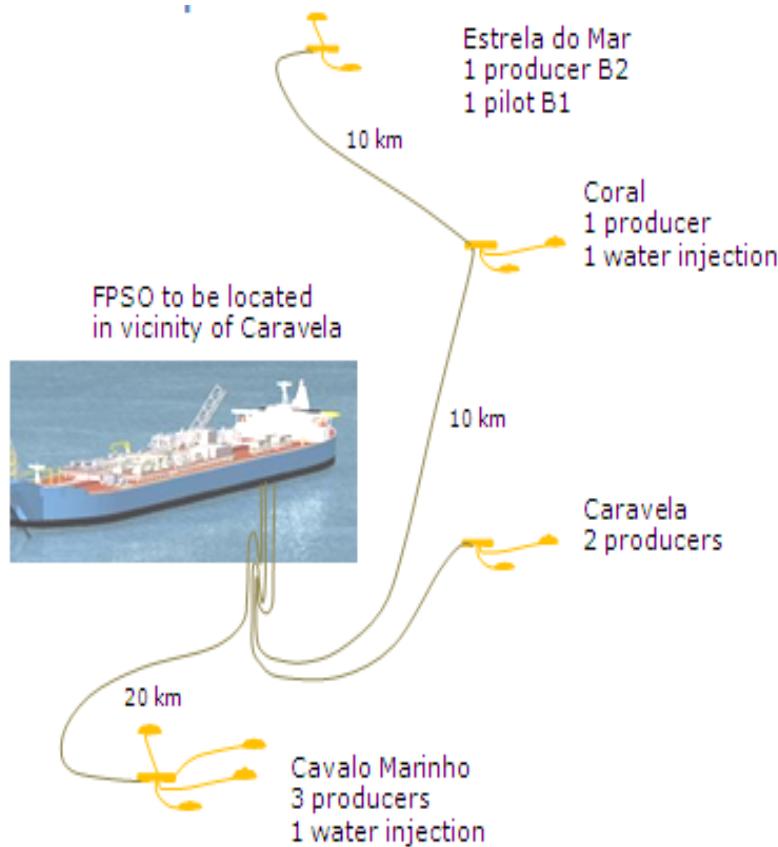


## According to plans of development;

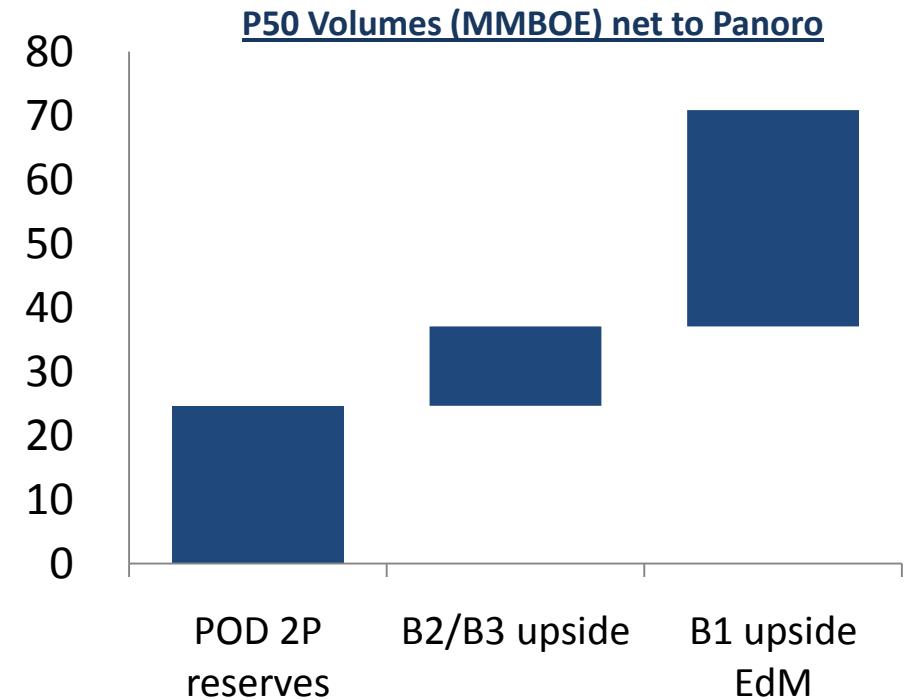
- Production start-up Q1-2015
- Break-even oil price of USD ~50 per barrel
- Total CAPEX net to Panoro USD 220 million for Cavalo Marinho
- Total CAPEX net to Panoro USD 230 million for Estrela do Mar
- P50 volumes of 25 MMBOE net to Panoro

# BS-3 area – Further upside potential

Cavalo Marinho (50%), Estrela do Mar (65%), Coral (35%)



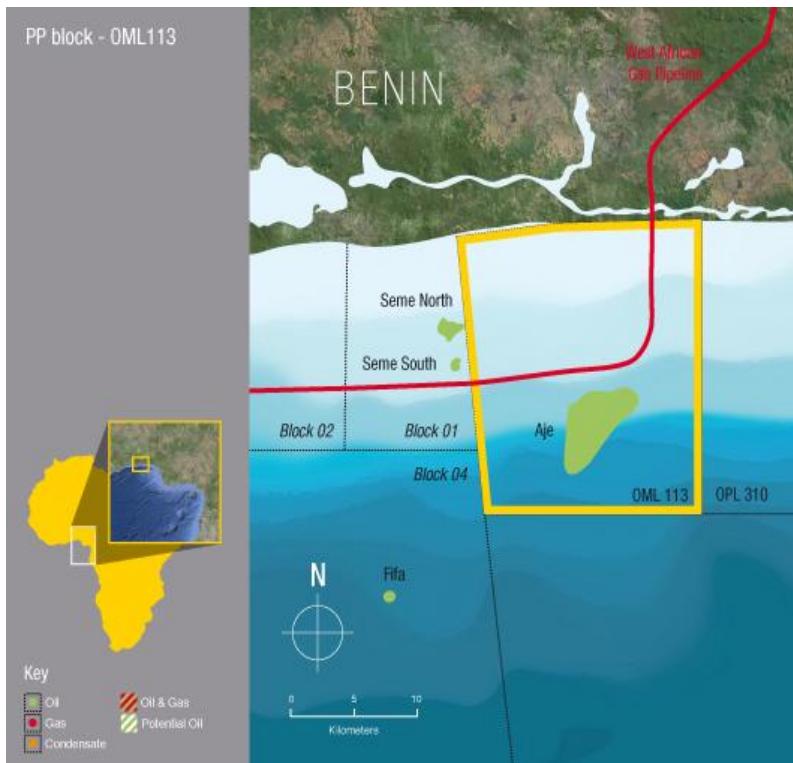
- Interpretation of geological maps shows higher Oil-in-Place (STOOIP)
- Use of long-reach horizontal wells, and unconventional well completions (Open-Hole)



# Development Asset – Aje (12.19%)

Large gas, condensate and oil discovery

Aje (Nigeria)		OML 113
Operator	YFP , Chevron Tech Adv	
Participating Interest	6.502%*	
Other Partners	Vitol, Providence	
1st Production	TBD	
Current stage	Field Development Planning	



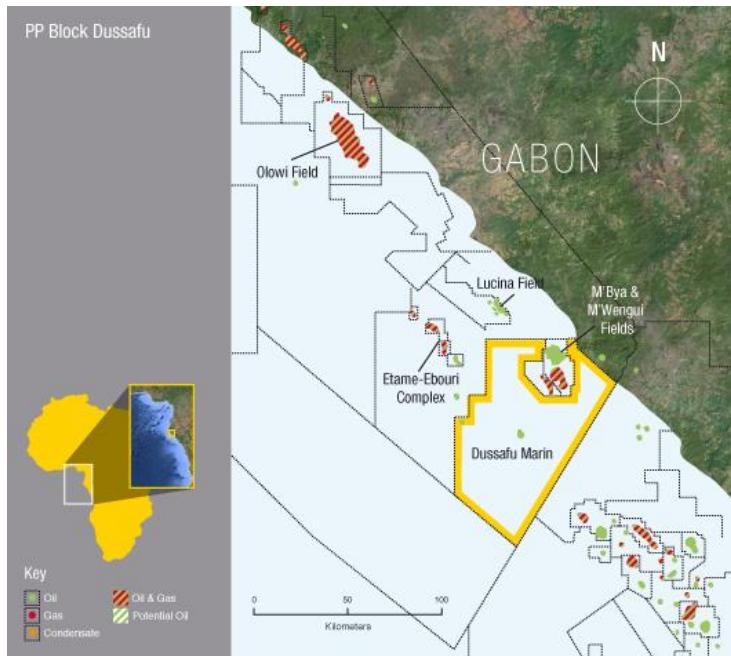
- Chevron as Technical Advisor, YFP a reputable Nigerian Operator
- The OML113 partners are continuing to progress the development of the Aje field
- Further work is needed to ensure the project's commercial aspects following resource downgrade
- JV partners are evaluating this before commencing Front End Engineering and Design (FEED)

# Exciting exploration portfolio

## Offshore Gabon and Brazil

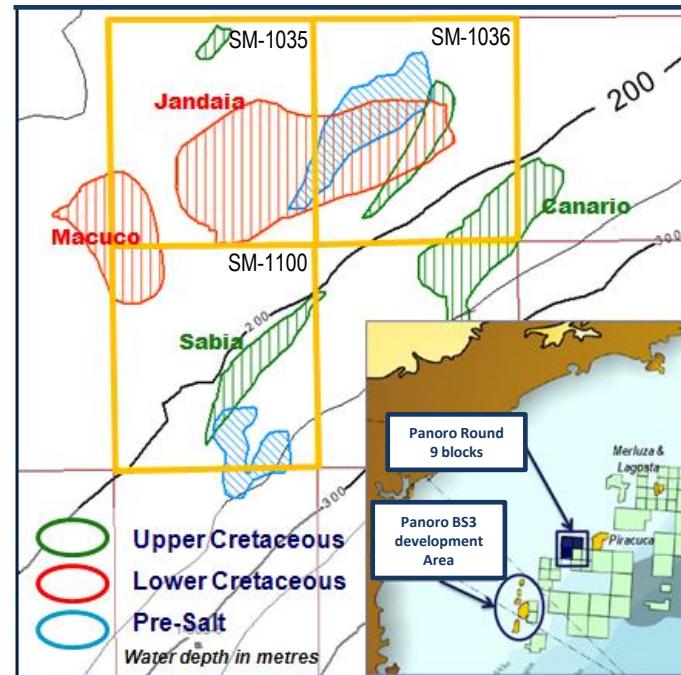
### Dussafu Marin (33.33%), Gabon

- 2,775 km<sup>2</sup> license Southern Gabon basin
- Primary prospects in the Gamba pre-salt fairway
- Drilling of Panoro's first exploration well is expected in Q2-2011
- Rig tendering underway
- Additional drillable prospects identified in the license



### SM-1035, SM-1036, SM-1100 (50%), Brazil

- 510 km<sup>2</sup> license in the Santos Basin
- Four primary leads identified from 3D
- Gross unrisked resource potential of 880 (best est) – 1,100 MMBOE (high est.)
- Farm out process proceeding, conclusion expected in Q1-2011
- Drill or drop decision Q1-2011



# Portfolio outlook

## Indicative timelines

