Corporate Presentation
January 2011

Panoro Energy

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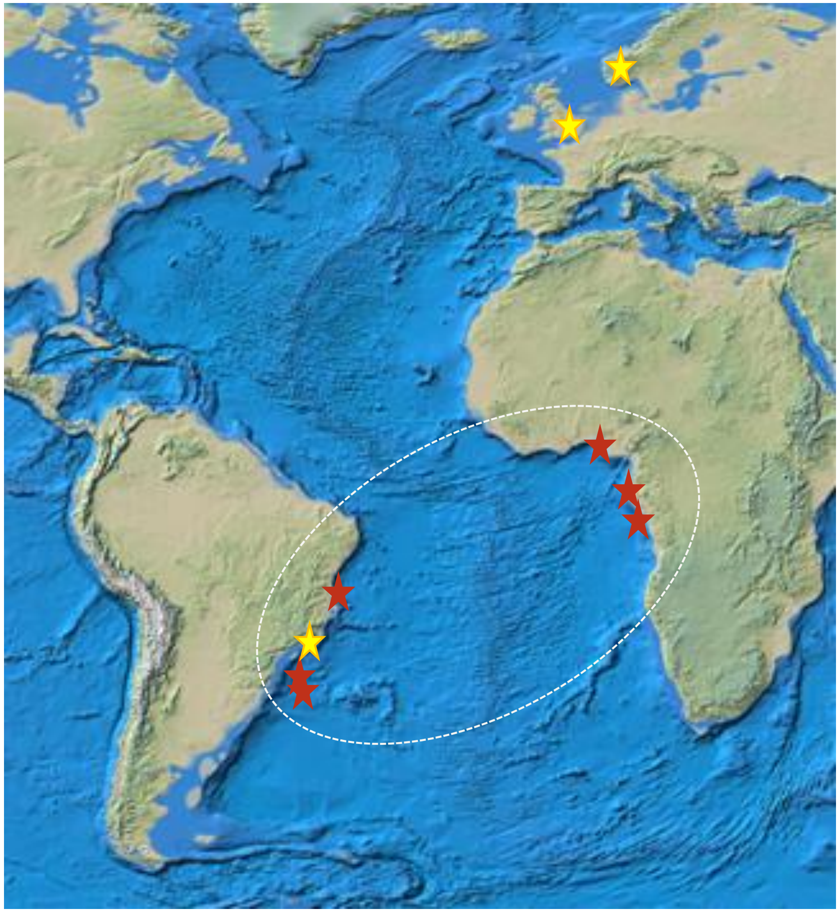
Panoro Energy ASA

Company snapshot



★ *Offices: London, Rio, Oslo*

★ *Panoro license area*

Ticker code (Oslo Stock Exchange):	PEN
Shares outstanding:	163.9 million
Market Cap[1]:	~240 USDm
Reserves & Resources (P50):	~175 MMBOE
Unrisked exploration potential:	~160 MMBOE
Production (Q4-2010):	4,200 BOE/d
Largest shareholder:	Sector (~66%)

1) Per Jan 24, 2011

Panoro Energy

Management with a proven track record

Experienced management with local knowledge from both Brazil and West Africa

Dr Phil Vingoe
Chairman of the Board

- 38 years of oil and gas experience managing assets in Nigeria, Gabon, Congo, Equatorial Guinea, Mozambique, Egypt, Qatar, Pakistan, Oman, Thailand, Laos, Indonesia, Australia, U.S.A, U.K., Norway
- 20 years global career with BP leading to worldwide Chief Geophysicist and then Exploration Manager. Co-led IPO of Novus Petroleum on ASX from start-up to thriving company (1995 -2000), Managing Director of Sasol Petroleum International (2000-2005), Non-Executive Director of Pan-Ocean, sold to Addax Petroleum for C$1.6 Bn (2005-2006), Director Energy Equity Resources (2005 – 2007) then led the creation of Pan-Petroleum in November 2007
- MSc and PhD from Birmingham University. Studied at Harvard Business School

Kjetil Solbraekke
Chief Executive Officer

- 20 years of oil and gas experience from the Ministry of Petroleum and Energy in Norway, Hydro and StatoilHydro
- CFO for Hydro Oil&Energy, SVP for International Business Development in Hydro, General Manager in Brazil for Hydro, SVP South Atlantic Region, with responsibility for Latin America and Africa in StatoilHydro prior to joining Norse Energy
- Degree in Economics from the University of Oslo

Executive management

Anders Kapstad
Chief Financial Officer

Nishant Dighe
Chief Operating Officer

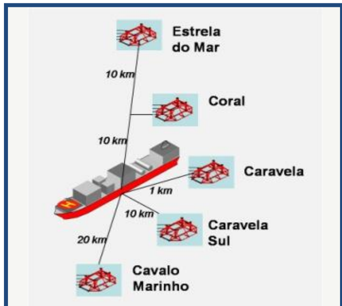
Thor A. Tangen
EVP Field Development

Richard Morton
Vice President

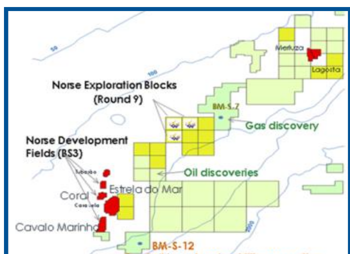
Attractive and balanced asset portfolio

E&P independent with South Atlantic focus

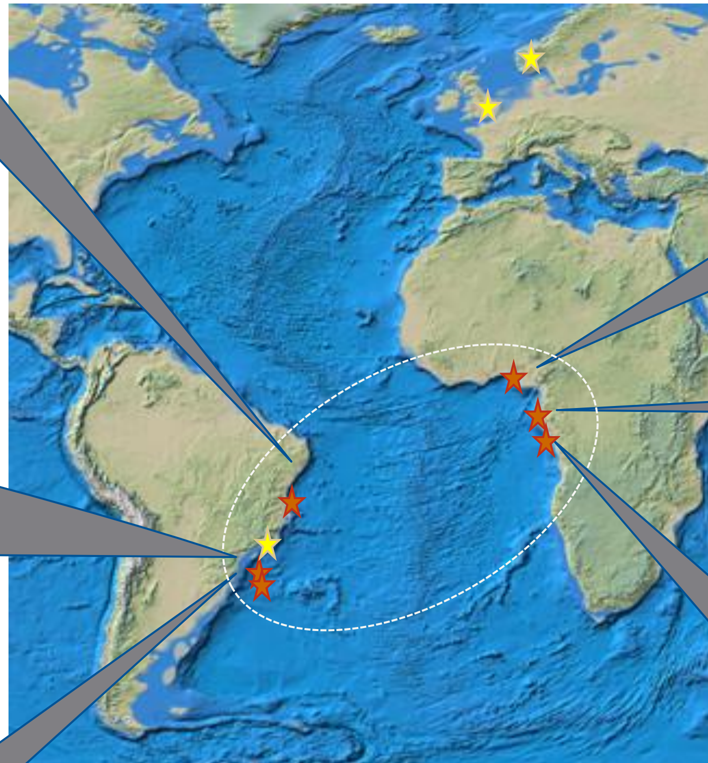
Manati



BS-3 (Santos)



Santos Exploration



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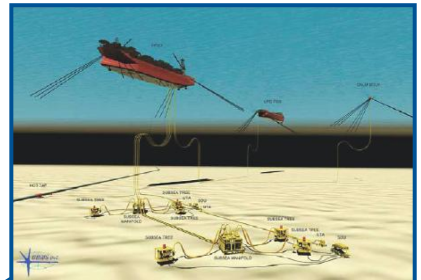


Aje

Dussafu

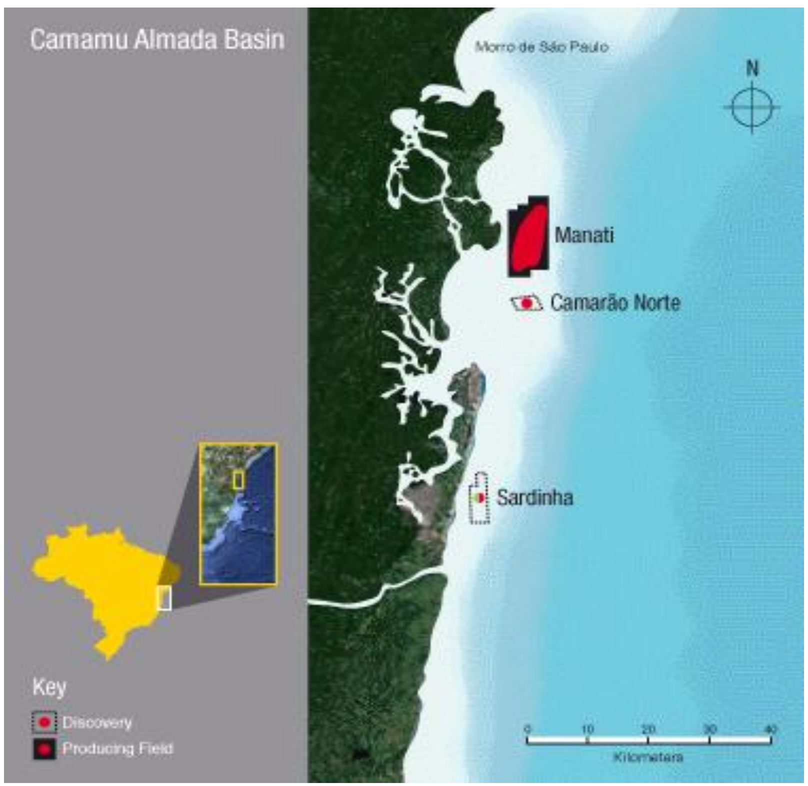
Congo MKB

Panoro Energy

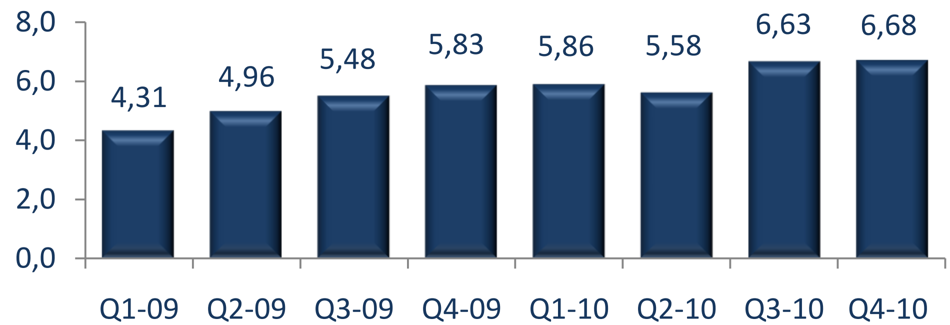
Manati (10%)

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



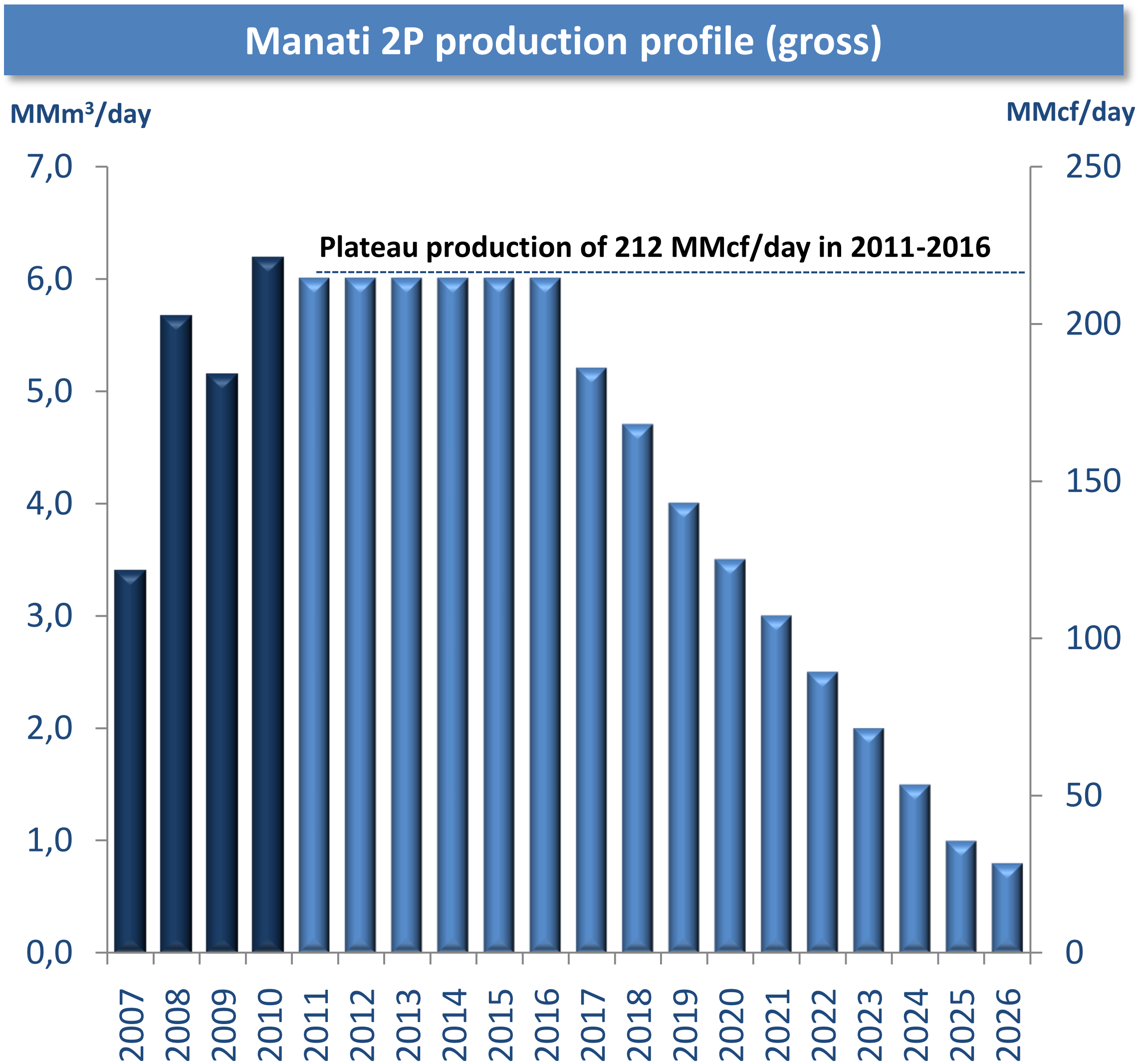
Gross production MMm3/day



- Average production of 6.19 MMm^3/day in 2010 (3,900 boe/day net to PEN) and 6.68 MMm^3/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 for 23 Bcm (0.8 Tcf) with Petrobras secures long-term cash flow

Panoro Energy

Manati – 2P Production Profile



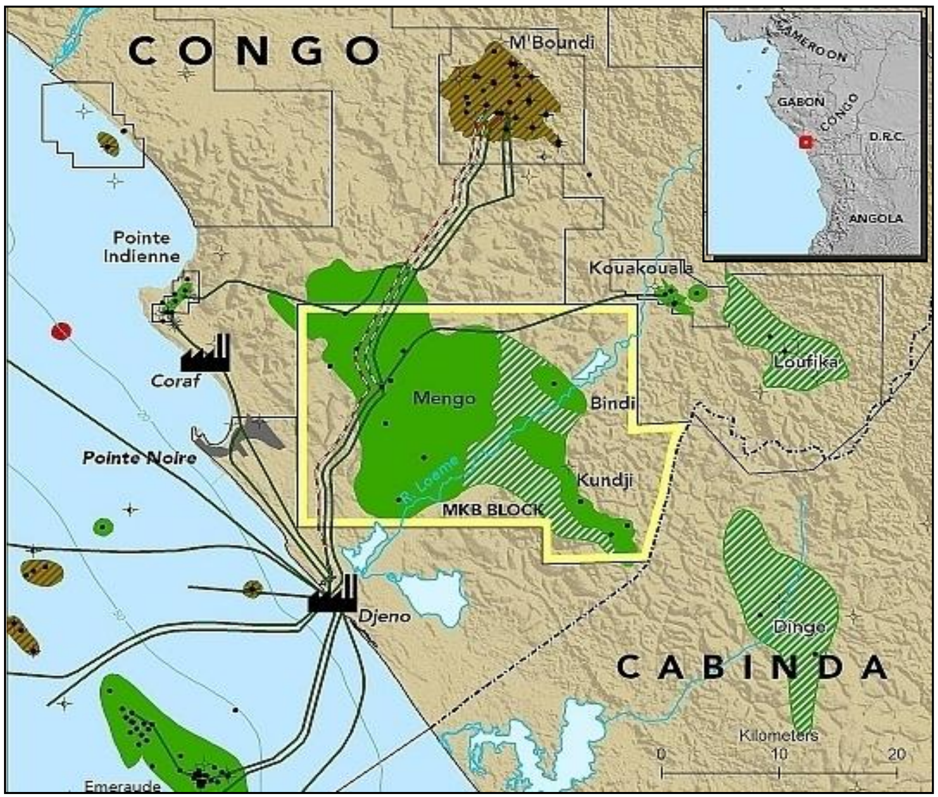
- 2P production profile based on license figures provided by Petrobras
- No further wells needed to produce 2P reserve estimate
- Contract amendment covering all uncontracted volumes in final stages of approval
  - Estimated to be 7 Bcm (0.25 Tcf)
- Additional volume potential identified

Panoro Energy

Mengo-Kundji-Bindi (20%)

Resource play with very large oil in place volumes

MKB (Congo)	MKB
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

Panoro Energy

Mengo-Kundji-Bindi (20%)

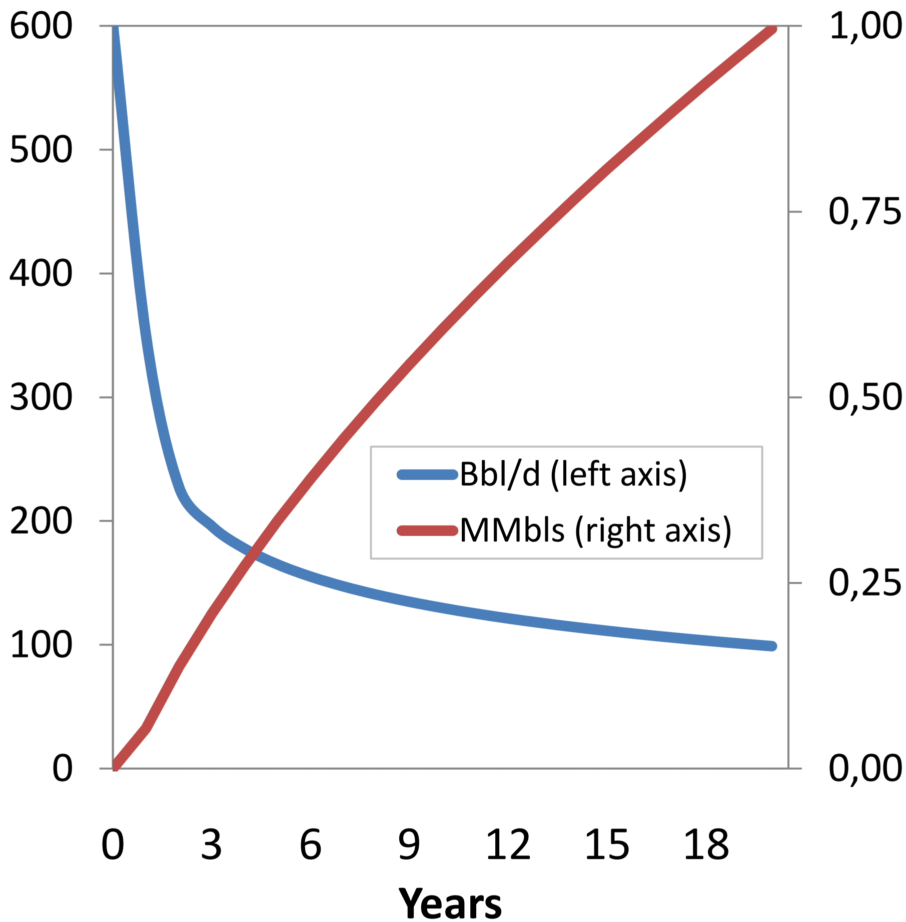
Positive production tests

- Well testing to date have confirmed:
  - Sufficient permeability
  - Good results from fracking
  - Oil flow without formation water
  - Reservoir recharge
- 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

MKB Business case

Preliminary assumptions

Single well type curve*



Base assumptions

- Field Oil-in-Place of ~1 billion barrels
- ~10% recovery factor
- Reserves per well of ~1 million barrels
- Cost per well of USD 8 million for pilot program, USD 6 million thereafter
- Facilities and pipeline cost of USD 3 million per well
- OPEX of 5-7 USD per boe
- PSC with approx. government take of 50%

Upsides:

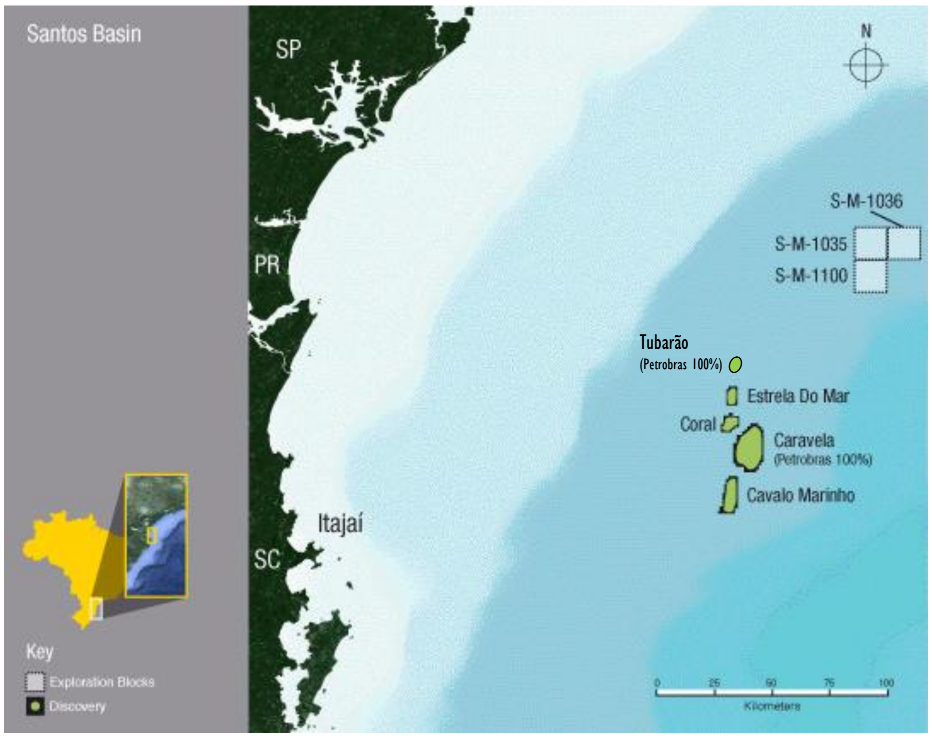
- Oil-in-Place
- Cost efficiency - learning curve and economies of scale
- Recovery factor
- Water injection

* Based on historical production from Elf and two recent wells

BS-3 area

Significant development projects

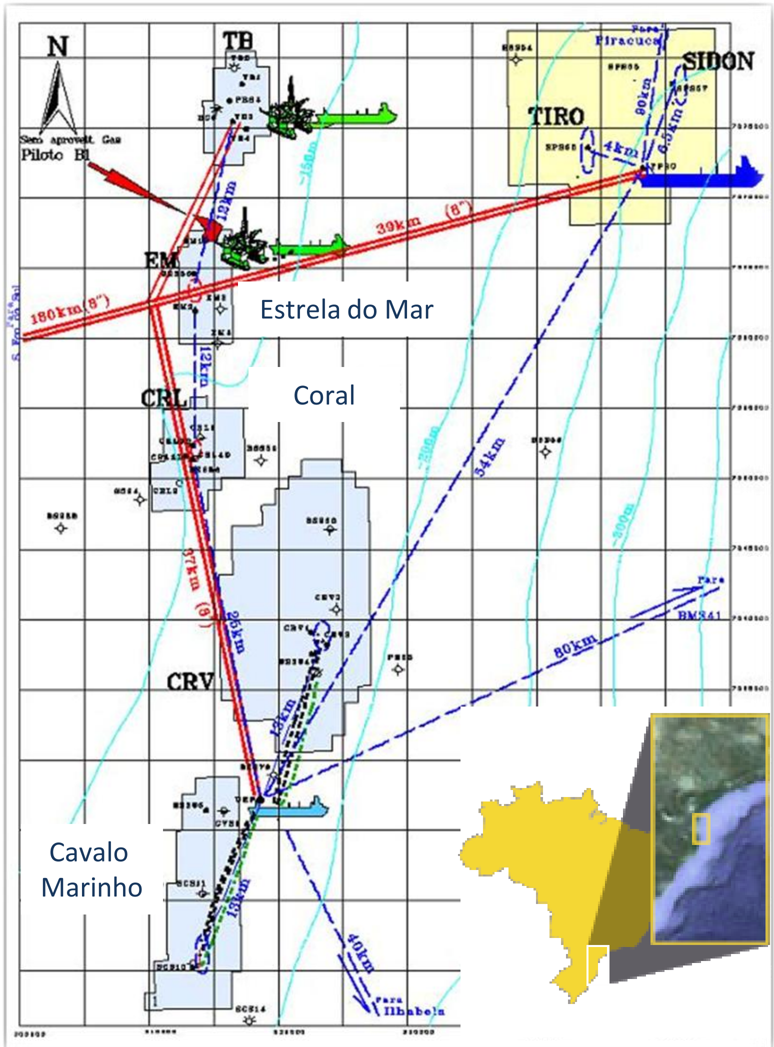
BS-3 area (Brazil)	
Operator	Petrobras (35-100%)
Other Partners	Queiroz Galvão (0-15%), Brasoil (0-15%)
1st Prod	2015
Current stage	Concept selection ongoing



- Cluster of five oil & gas discoveries in the southern Santos Basin, whereof Panoro has ownership in three
  - Cavalho Marino (50%), Estrela do Mar (65%), Coral (35%)
- Total recoverable resources from high permeability B2/B3 reservoirs of approximately 100 MMBOE (~37 MMBOE net to Panoro)
- Low permeability B1 reservoirs containing up to 1 billion boe Oil-in-Place in Estrela do Mar and Cavalo Marinho
- A proven producer
  - Coral (35%) produced ~12 MMBOE from 2003-2008
  - Caravela (100% Petrobras) produced ~20 MMBOE from 1994-2002

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

Santos Basin developments - 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 low permeability 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

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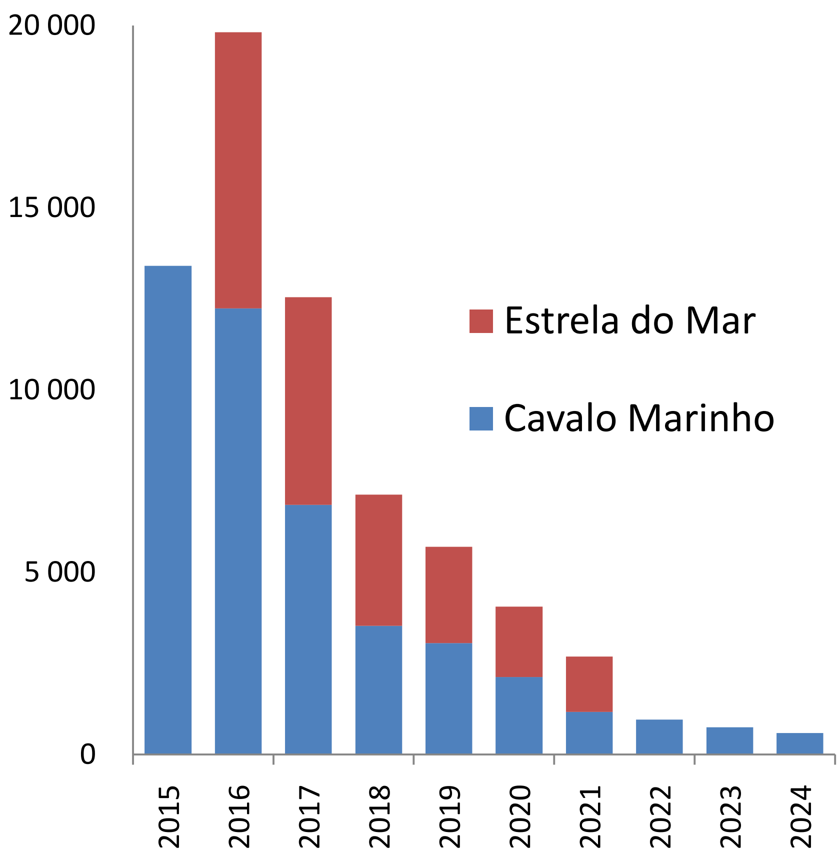
BS-3 area – New development plans filed Jan 13, 2011

Santos Basin developments - Cavalo Marinho (50%), Estrela do Mar (65%)

Production (BOE/day) net to Panoro



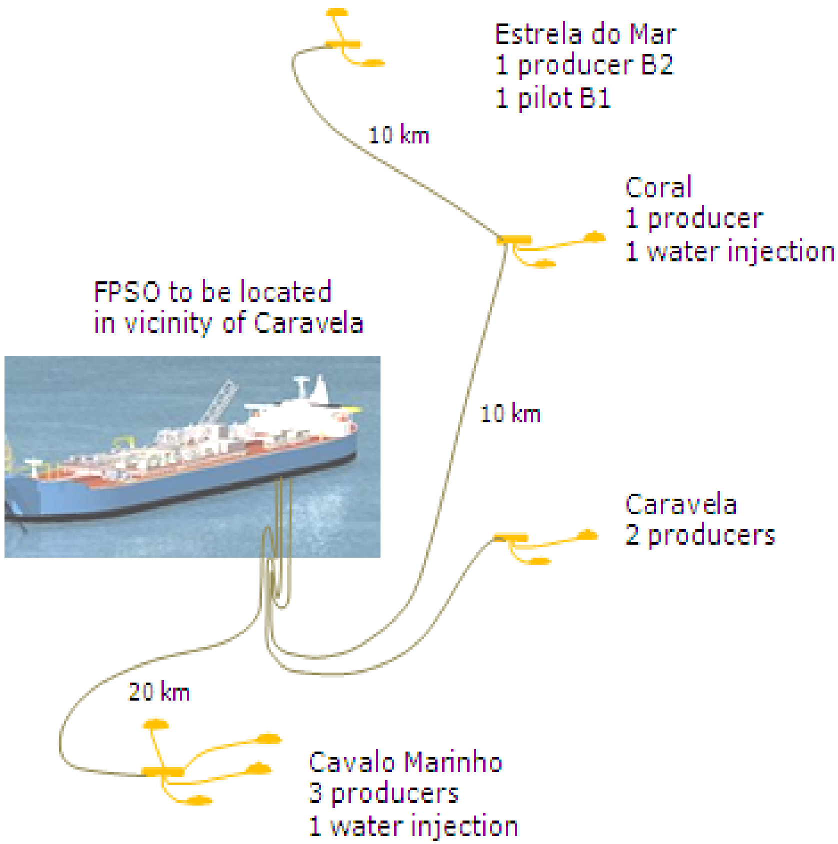
According to plans of development;

- 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

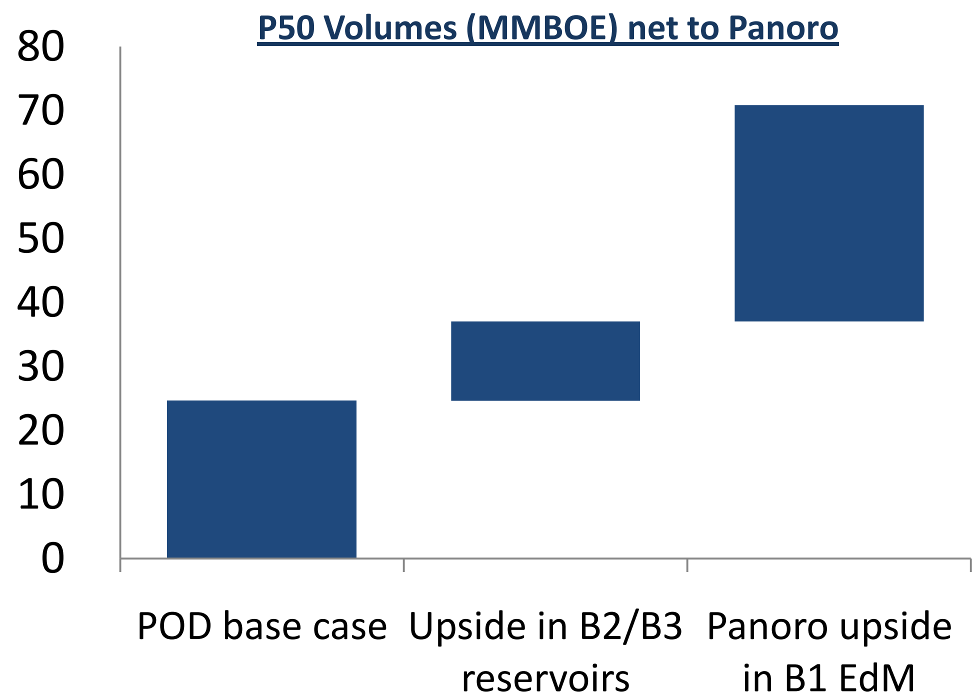
* At 10% discount rate

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)
- Cost synergies



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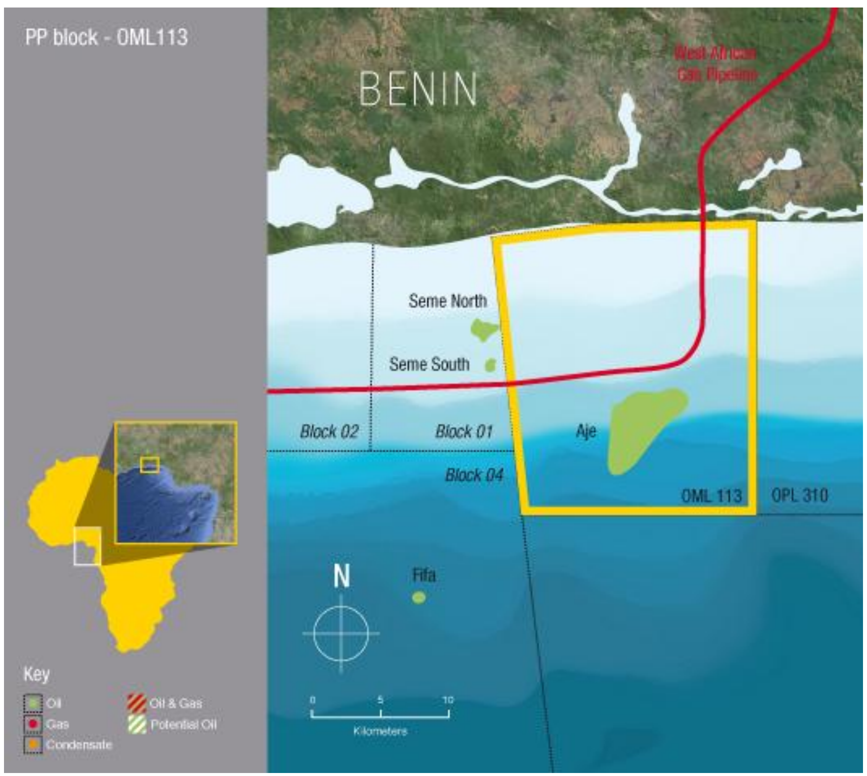
Development Asset – Aje

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



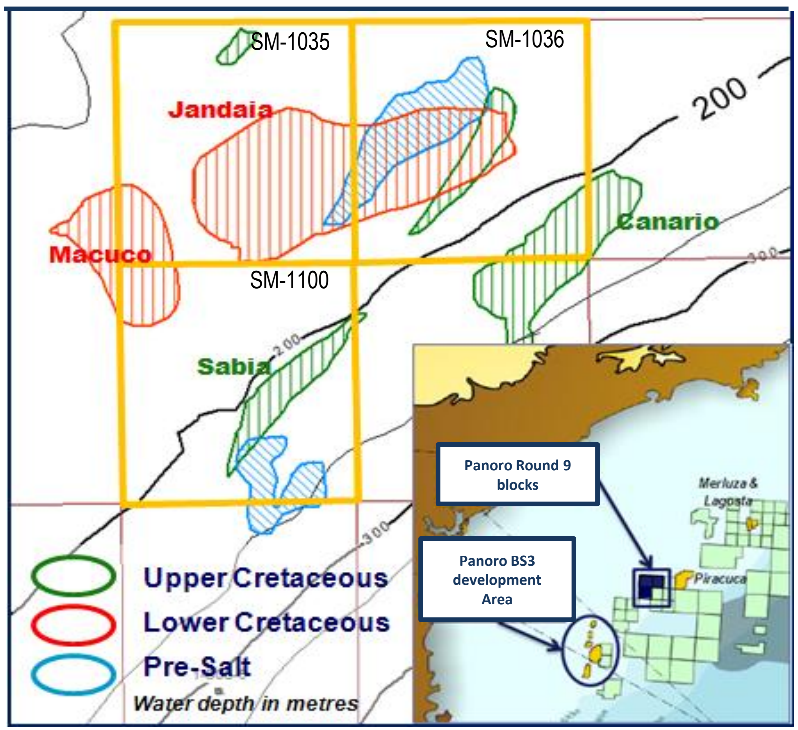
- Chevron as Technical Advisor, YFP a reputable Nigerian Operator
- The OML113 partners are continuing to progress the development of the Aje field
- Further work is needed to ensure the project’s commercial aspects following resource downgrade
- JV partners are evaluating this before commencing Front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

* 16.255% paying interest, 12.19% revenue interest

Exploration asset - Round 9 blocks

Successful farm-out

Round 9 (Brazil)	SM-1035, SM-1036, SM-1100
Operator	Vanco (70%)*
Working Interest	15%*
Other Partners	Brasoil 15%*
Net resources (MMboe)	130-165 (unrisked prospects)
Current stage	Well planning



*Pending approval from ANP, Brazilian Petroleum Agency

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

- Gross unrisked resources of 880-1,100 MMBOE identified in three prospects
- 200 meter water depth
- 3,500-5,000 meter reservoir depth

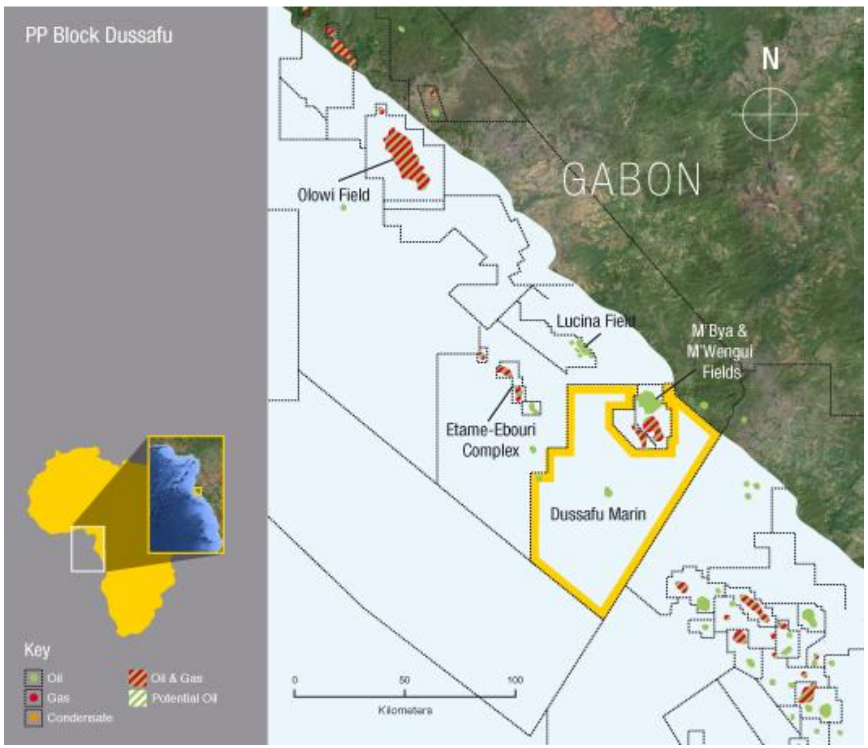
Panoro farmed-out 35% of its 50% to Vanco

- Net proceeds of USD 15 million to Panoro
- Vanco to finance drilling of 3 exploration wells
- Vanco entitled to partially recover drilling costs from future production
- Option for Panoro to increase working interest to 20% prior to drilling
- Transaction pending approval from Brazilian Petroleum Agency, ANP

Exploration asset - Dussafu

Exploration adjacent to infrastructure

Dussafu (Gabon)	Exploration portfolio
Operator	Harvest Natural Resources (66.67%)
Working Interest	33.33%
Other Partners	No others
Net resources (MMboe)	30 MMboe (unrisked)
Exploration well	H1 2011
Current stage	Drilling preparations

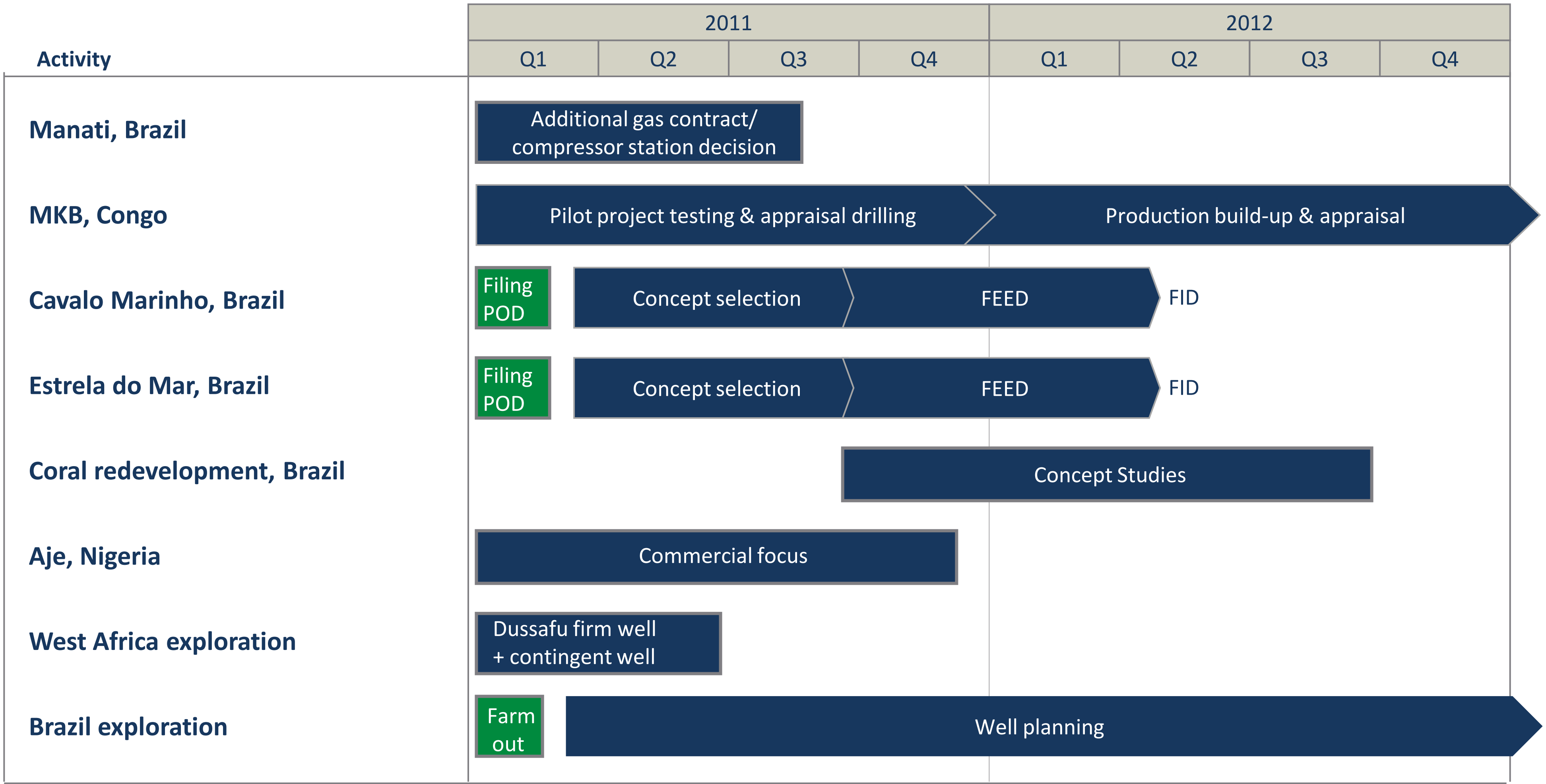


Dussafu Marin (33.33%), Gabon

- 2,775 km^2 license Southern Gabon basin
- Primary prospects in the Gamba pre-salt fairway
- Drilling of Panoro's first exploration well is expected in Q2-2011
- Pre-drill P50 resource estimate of 30 MMBOE (100%) from first prospect, 90 MMBOE (100%) including additional prospects
- Four small existing discoveries (3 oil, 1 gas) with upside/appraisal potential
- Rig tendering underway

Portfolio outlook

Indicative timelines



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