

Update on the divestment process of the Brazilian subsidiary Rio das Contas (the Manati transaction)

Panoro Energy announces that the Company has agreed with the buyer GeoPark to extend the Long Stop Date for the Sale and Purchase Agreement for the divestment of the Brazilian subsidiary Rio das Contas (the Manati transaction) from March 14 to March 31, 2014. Should the approval by the Brazilian National Petroleum Agency (ANP) not be granted by the new Long Stop Date, both parties may at their sole discretion extend the Long Stop Date by a minimum two months or maximum to June 14, 2014, determined by the party exercising the extension.

Both Panoro and GeoPark are working diligently with ANP to have the approval granted as soon as possible. We understand that the process has now reached its final stage awaiting legal clearance before being submitted to ANP Board of Directors for approval of replacement of the parental guarantee.

For further information, please contact:

Anders Kapstad, Country Manager Brazil and Group Chief Financial Officer

Cell: +55 21 98493 2356

Email: anders.kapstad@panoroenergy.com

Carl Peter Berg, VP Commercial and Investor Relations

Cell: +55 21 98541 1907

Email: carl.peter.berg@panoroenergy.com

Please visit www.panoroenergy.com for more information. Panoro Energy ASA is listed on the Oslo Stock Exchange (Ticker code: "PEN").