

The Nomination Committee's recommendation to the Annual General Meeting in Panoro Energy ASA on May 15, 2014

Mandate

The Nomination Committee's mandate is set out in Panoro Energy ASA's ("PEN" or "the Company") Articles of Association § 8, as follows:

"The Company shall have a Nomination Committee consisting of 2 to 3 members to be elected by the Annual General Meeting for a two year period. The majority of the Nomination Committee shall be independent of the Board of Directors and the day-to-day management. The Nomination Committee's duties are to propose to the General Meeting shareholder elected candidates for election to the Board of Directors, and to propose remuneration to the Board. The Annual General Meeting may adopt procedures for the Nomination Committee."

The Nomination Committee currently has the following members:

- Petter Mannsverk Andresen (Chair)
- Odd Rune Heggheim
- Bjørn Kristian Stadheim

The work of the Nomination Committee

The Nomination Committee has to date 2014 held several meetings where the Board's composition and work has been discussed and also carried out a Board of Director assessment in cooperation with the Board of Directors. This includes meetings with the Chairman of the Board and the Chief Executive Officer. The Nomination Committee has furthermore been in contact with the Company's largest shareholders and anchored its recommendations.

Remuneration to the Board of Directors

The Nomination Committee proposes that the general meeting fixes the remuneration to the Board of Directors for the year 2014/2015. The Nomination Committee proposes that the general meeting fixes the remuneration to the Board of Directors for 2014/2015 at the same level as 2013/2014.

The Nomination Committee recommends that the general meeting makes the following resolution:

"The remuneration to the Board of Directors until the annual general meeting in 2015 (no later than 30 June 2015) is fixed to NOK 450,000 per annum to the Chairman of the Board and NOK 200,000 per annum to each Board member. The remuneration shall be paid quarterly during the year."

Remuneration to members of the Audit Committee and the Compensation Committee for the period 2013/2014 and 2014/2015

The Nomination Committee proposes that the general meeting fixes the remuneration to the members of the Audit Committee and the Compensation Committee for the period 2013/2014 and 2014/2015.

The Nomination Committee recommends that the general meeting makes the following resolution:

"The remuneration to the members of the Audit Committee and the Compensation Committee for the period 2013/2014 and 2014/2015 is fixed to NOK 50,000 per annum to the Chairman and to each Board member. The remuneration shall be paid quarterly during the year."

Election of Board members

Pursuant to Section 8 of the Articles of Association the Nomination Committee shall make a proposal to the annual General Meeting relating to election of members and chairman of the Board. The current

members of the Board were elected for a two year period in the extraordinary General Meeting held on September 6, 2013. As such, no new proposal will be made to the annual General Meeting.

Remuneration to the members of the Nomination Committee

The Nomination Committee proposes that the general meeting fixes the remuneration to the members of the Committee for the year 2014/2015.

The Nomination Committee recommends that the general meeting makes the following resolution:

“The remuneration to the members of the Nomination Committee until the annual general meeting in 2015 (no later than 30 June 2015) is fixed to NOK 40,000 per annum to the Chairman of the Committee and NOK 30,000 per annum to each of the other members of the Committee. The remuneration shall be paid quarterly during the year.”

Members of the Nomination Committee

As one member of the Nomination Committee, Bjørn Kristian Stadheim, was elected as a Board member in the extraordinary general meeting held 6 September 2013, he will resign from the Committee as of the annual general meeting on May 15, 2014 to ensure the independence of the Committee. Furthermore, Petter Mannsverk Andresen's election period expires this year. The Board of Directors therefore proposes that Petter Mannsverk Andresen is re-appointed as chairman of the Committee for two new years in addition to Odd Rune Heggheim, who was elected for a period of two years at last year's annual general meeting.

In addition, it is proposed that Stig R Myrseth is elected as new member of the Nomination Committee.

Stig Roar Myrseth is a Norwegian equity manager. He is the CEO and founder of the fund management company Dovre Management, which is behind the world's first legal insider funds, Dovre Inside Nordic. Myrseth has started several companies within the financial sector. In 1999 he established the brokerage fund Orion Securities, which was sold to Terra-Gruppen in 2009. He thereafter worked as head of analysis with Terra Markets before establishing Dovre Management in 2011.

If the General Meeting approves the recommendation, the Nomination Committee will consist of Petter Mannsverk Andresen (Chair), Odd Rune Heggheim and Stig Roar Myrseth .

The Nomination Committee's recommendation is unanimous on all points.

Oslo, May 14, 2014

Petter Mannsverk Andresen
(sign.)

Odd Rune Heggheim
(sign.)

Bjørn Kristian Stadheim
(sign.)