

Panoro Energy Provides Tunisia Update

Oslo, 1 February 2019 – Panoro Energy ASA (the “Company” or “Panoro” with OSE Ticker: PEN) is pleased to provide an update on its Tunisian oil & gas assets.

Material progress is being reported on the TPS assets (recently acquired from OMV) and the Sfax Offshore Permit (“SOEP”). At TPS, immediate production opportunities have been identified which should increase the existing daily output in the short term, while further opportunities exist to increase the reserve base of the TPS assets. In parallel, Panoro and the Tunisian Authorities have come to a constructive and mutually beneficial arrangement regarding the renewal of SOEP.

John Hamilton, CEO of Panoro commented: *“We are pleased with the immediate operational improvements identified to date in Tunisia and our productive engagement with the DGH and ETAP. We look forward to increasing the production at TPS and to continue moving forward with the further evaluation of the Salloum oil discovery located on the Sfax Offshore Exploration Permit”.*

TPS Assets

As announced in December 2018, Panoro Tunisia Production AS (“Panoro Tunisia”) now holds a 49% indirect interest in five oil producing concessions. Panoro Tunisia’s Joint Venture partner, ETAP, the Tunisian national oil company, holds the remaining 51%.

Highly experienced members of the expanded Panoro team have now been appointed and seconded to perform the Deputy General Manager and Development Manager roles within Thyna Petroleum Services S.A. (“TPS”), the long-standing Tunisian based operating company for the five oil producing concessions.

Initial focus is on successful transition, integration and prioritisation of both near and medium-term production growth opportunities.

The highest impact near term opportunity is the resumption of production at the El Ain field. The El Ain field is located in the Gremda concession, which legally expired in December 2018, and where the wells have been shut in for over a year. Panoro and ETAP have applied for a new concession and are currently planning the resumption of production from the two existing wells immediately after formal authorisation from the Tunisian Authorities to continue operations, pending formal ratification of the new concession. A workover unit is on site and long lead items necessary to bring the wells back on stream have been procured.

Other initiatives include production improvements on individual wells and facility upgrades to remove potential bottlenecks and improve recovery efficiency. Medium term initiatives include side tracks and an enhanced water injection programme at the Guebiba field, where Panoro believes reserves and production could be materially increased.

Panoro believes the near-term opportunities could provide a significant production uplift of up to 15-20% during 2019 compared to the recent 4,000 bopd gross averaged during December 2018. The timing of the operational activity and associated production is currently under review and further updates will be provided at Panoro’s Q4 results in late February.

Sfax Offshore Exploration Permit

Panoro is also pleased to report that its subsidiary Panoro Tunisia Exploration AS (“Panoro Exploration”) has reached mutually acceptable arrangements with the Tunisian Directorate General of Hydrocarbons (“DGH”) regarding the permit renewal terms for SOEP, with the current 1st renewal period having expired on December 8th, 2018.

Panoro has been in extensive discussions with the Tunisian Authorities regarding the terms and timing of drilling the well previously committed by the previous owner DNO under the current 1st renewal period.

As a precondition to the entry into a 2nd renewal period for an additional 3 years period, Panoro has agreed to fulfil the outstanding drilling obligation as soon as practically possible.

Consequently, and as previously announced, Panoro is proposing to drill the Salloum West-1 well (“SAMW-1”) in order to fully satisfy the commitment well. Panoro is currently working closely with its partner ETAP regarding the technical program and the formalisation of drilling plans including, but not limited to, the well planning, location and approvals for drilling and testing.

The primary target of the SAMW-1 well is the Bireno formation, at approximately 3,200 vertical metres depth, where Panoro has identified, on 2D and 3D seismic data, what it believes to be an independent block located west of the discovered Salloum structure. The SAMW-1 well will target an independent fault compartment up-dip from the Salloum-1 well, which was drilled by British Gas in 1992 and tested the Bireno formation at a rate of 1,846 bopd.

The objective of the SAMW-1 well is to prove up additional resources in the vicinity of the Salloum-1 well and to aggregate them in order to fast-track the development of Salloum through a tie-in to existing adjacent oil infrastructure. Therefore, following successful drilling, options are now being considered for bringing the SAMW-1 well on stream as an extended well test.

The DGH has also advised that the Tunisian Consultative Hydrocarbons Committee (the “CCH”) has required Panoro Exploration to post a bank guarantee in relation to the drilling operations on SOEP, which will be released at successive operational stages commencing with the spudding of the well, on track during 2019. Accordingly, Panoro Exploration has procured a bank guarantee for the gross amount of US\$16.6 million (US\$10 million net to Panoro).

About Panoro’s Operations in Tunisia

Panoro’s equity participation in Tunisian operations and companies, as described below, is in partnership with Beender Tunisia Petroleum Limited (“Beender”) whereby, Panoro effectively owns 60% and Beender the remaining 40%.

SOEP is operated by Panoro Tunisia Exploration AS and holds 87.5% interest. SOEP covers an area of 3,228 km² within the historically prolific oil and gas producing region offshore the city of Sfax. There are three oil discoveries on the permit, Salloum, Ras El Besh, and Jawahra, with gross recoverable oil estimated by the former operator of 20 million barrels. In addition to these discoveries there is considerable exploration potential in the Permit, and the previous operator's P50 unrisked gross estimate was 250 million barrels. In the vicinity of SOEP area are numerous existing producing fields with infrastructure and spare capacity in pipelines and facilities.

Panoro Tunisia Production AS has an indirect interest in five concessions namely, Guebiba/El Hajib, Rhemoura, El Ain, Cercina, and Cercina South (together, the "Concessions") which are located onshore and offshore near the city of Sfax and bordering SOEP. The fields have been in production since the 1990s, include full infrastructure to handle and transport crude oil, and are managed with disciplined HSE standards. The remaining interest in the Concessions and TPS is held by ETAP, the Tunisian national oil company.

About Panoro Energy

Panoro Energy ASA is an independent E&P company based in London and listed on the Oslo Stock Exchange with ticker PEN. The Company holds high quality production, exploration and development assets in Africa, namely the Dussafu License offshore southern Gabon, OML 113 offshore western Nigeria, and the TPS operated assets, Sfax Offshore Exploration Permit and Ras El Besh Concession, offshore Tunisia.

For more information visit the Company's website at www.panoroenergy.com.