

Panoro Energy ASA – Contemplated Private Placement

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART DIRECTLY OR INDIRECTLY, IN AUSTRALIA, CANADA, JAPAN OR THE UNITED STATES OR ANY OTHER JURISDICTION IN WHICH THE RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL. THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER OF ANY OF THE SECURITIES DESCRIBED HEREIN.

Oslo, 22 October 2019 - Panoro Energy ASA ("**Panoro**" or the "**Company**" with OSE Ticker "**PEN**") has engaged Arctic Securities AS (the "**Manager**") to assist the Company in a contemplated equity private placement (the "**Private Placement**") through the issuance of up to 6,238,760 new shares (the "**New Shares**"), representing a maximum of 10% of the outstanding number of shares of the Company prior to the issue of New Shares. The net proceeds from the Private Placement will be mainly used to fund Panoro's share of exploration and Phase 3 expenditure of the future work program on the Dussafu permit ("**Dussafu**"), offshore Gabon, as well as for new exploration ventures identified and for general corporate purposes. Panoro's growth in Tunisia is to be funded from cash generative production and existing cash balances.

The New Shares will be offered at a price determined through an accelerated book-building process. The book-building period will commence today 22 October 2019 at 16:30 hours (CET) and is anticipated to close no later than tomorrow 23 October 2019 at 08:00 hours (CET). The Company may, however, at any time resolve to close or extend the book-building period at its own discretion and for any reason without any further notice.

The minimum subscription and allocation in the Private Placement has been set to the number of new shares that equals an aggregate subscription price of at least the NOK equivalent of EUR 100,000. The Company may however, at its sole discretion, allocate an amount below the NOK equivalent of EUR 100,000 to the extent applicable exemptions from the prospectus requirement pursuant the Norwegian Securities Trading Act and ancillary regulations, or similar legislation in other jurisdictions, are available.

The allocation of the New Shares will be determined at the end of the book-building period. The final allocation of the New Shares will be made by the Company's Board of Directors (the "**Board**") and at the Board's sole discretion. The completion of the Private Placement will be conditional upon (i) the Board resolving to conduct the Private Placement and allocate New Shares; and (ii) registration of the increased share capital of the Company pertaining to the Private Placement with the Norwegian Register of Business Enterprises and the Norwegian Central Securities Depository.

A number of primary insiders including key management and members of the Board have pre-committed to subscribe for and will be allocated New Shares at the final subscription price.

The New Shares will be issued by the Board pursuant to the authorization granted the ordinary general meeting held on 23 May 2019.

Following the successful exploration campaign at Dussafu, offshore Gabon, with the recent Hibiscus Updip oil discovery, the Company believes that the development Phase 3 at Dussafu will be sanctioned by the partners in the very near future. Phase 3 will focus on the Ruche area plus the newly discovered Hibiscus oil field. The significant volumes of oil found at Hibiscus and the excellent reservoir properties suggest that Phase 3 could contribute higher production volumes than previously indicated. The capacity of the BW Adolo FPSO is currently approximately 40,000 barrels of oil per day and Phase 3 is now estimated to deliver production volumes near this level for many years once it comes on line in late 2021/early 2022. Opex per barrel is also anticipated to materially decrease.

Additional exploration wells at Dussafu may also be drilled during 2020. The current drilling contract contains two firm exploration wells with the successful Hibiscus Updip being the first. Following the drilling of four production wells at the Tortue field the rig will move to drill the final firm exploration well at a location to be determined. Under the drilling contract, the partners also have an option for two additional exploration wells. It is likely that one or more of these new exploration wells will be elected to be drilled by the partners.

Furthermore, the Company is focussed and well advanced in adding new material exploration exposure to its balanced E&P portfolio. Panoro is pleased to report that it has entered into two heads of terms agreements ("HOT") to participate in new exploration growth opportunities, in consortium with other reputable international oil companies. Panoro's anticipated non-operated stake in those offshore exploration licenses are expected be between 10 and 20%. While there is no guarantee that the HOTs or other new ventures being pursued will lead to definitive agreements, it is the Company's belief that one or more transactions will materialise in the near term.

The Board believes that the Company's financial position should be strengthened ahead of these positive developments. The Board is further of the opinion that, taken into account the relative size of the Placement, an offer of shares directed to certain investors will result in a better subscription price, involve less time and costs and transaction risk that is the case of for a rights issue and hence, that the Placement is in the best interest of the Company. Consequently, the Board has resolved to waive exiting shareholders' preferential rights to subscribe for the New Shares.

Arctic Securities AS is engaged as sole manager for the Private Placement. Advokatfirmaet Schjødt AS is acting as legal advisor for Panoro in connection with the Private Placement.

An updated corporate presentation is available on our website at www.panoroenergy.com.

This announcement is made pursuant to section 5-12 of the Securities Trading Act.

Enquiries:

Arctic Securities AS

Equity Sales desk

Tel: +47 21 01 31 85

Panoro Energy ASA

John Hamilton, Chief Executive Officer
Qazi Qadeer, Chief Financial Officer

Tel: +44 203 405 1060

Email: investors@panoroenergy.com

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, please visit the Company's website at www.panoroenergy.com.