

Panoro Energy: Dussafu – Tullow back-in right

Oslo, 18 December 2019 - Panoro Energy ASA ("Panoro" or the "Company" with OSE Ticker "PEN") announces that Tullow Oil Gabon S.A. ("Tullow") has formalised its longstanding and previously disclosed 10% back-in right to the Dussafu Production Sharing Contract ("PSC").

Tullow and the existing parties to the PSC (jointly, the "Parties") have on 17 December 2019 entered into a deed of novation and amendment by which Tullow became party to the Dussafu joint operating agreement. Following the completion of the back-in right, the interests of the Parties in the PSC will be: BW Energy (73.5%), Tullow (10%), Gabon Oil Company (9%) and Panoro (7.5%).

The exercise of the back-in right was subject to Tullow reimbursing the other Parties for its share of historic costs related to the Dussafu development. The total amount has been disputed by the Parties. However, the Parties have now reached an agreement for the undisputed share of the costs, representing a total of USD 40.9 million as at the end of October 2019. The net amount payable by Tullow to the existing partners is USD 19.8 million after adjusting for Tullow's net lifting entitlement since the commencement of oil production in September 2018 and some surplus cash-calls made on their behalf. The net amount payable to Panoro is USD 1.7 million.

Negotiations are ongoing to resolve the disputed costs, which amount to an additional USD 18.7 million. If an agreement is not reached, the dispute will be submitted to a simplified arbitration. Panoro's share of disputed costs is 8.333%.

Enquiries

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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.