Panoro Energy Announces Third Quarter 2019 Results and Provides Operations and Corporate Updates

Oslo, 20 November 2019 - Panoro Energy (the "Company" or "Panoro" with OSE ticker: "PEN") today announces the third quarter 2019 financial results and subsequent events.

John Hamilton, CEO of Panoro, commented: "Our transformation into a well-balanced and diversified E&P company is reflected in our strong financials year to date. Full year results will strengthen this trend with a particularly active 4th quarter lifting schedule anticipated.

Dussafu Phase 2 production drilling is underway with the next step up in production occurring during the first half of 2020. The sizeable Hibiscus Updip discovery is now to be incorporated into Phase 3 at Dussafu and will bring production capacity beyond the current FPSO nameplate of 40,000 bopd. A new exploration drilling campaign will also feature during 2020.

In Tunisia further production optimisation initiatives are ongoing and we are progressing with the spudding of the Salloum West exploration well in early 2020.

We expect to complete our divestment of our Nigerian subsidiary to Petronor in 2020, which would allow Panoro to pay its first ever dividend in the form of PetroNor shares to be distributed to our shareholders.

We look forward to realising the inherent organic growth in our current asset portfolio over the next two years as we progress towards material cash generation."

Highlights

- YTD Revenue of USD 40.8 million (3Q 2019: USD 10.2 million) and EBITDA of USD 21.7 million (3Q 2019: 5.3 million), in line with liftings guidance
- Four liftings anticipated across the Group's assets in 4Q, similar to 1Q (versus two in each of 2Q and 3Q)
- YTD Group net average daily production of 2,456 bopd, with 3Q 2019 of 2,251 bopd (impacted by workover activity in Tunisia and Aje field shut-in during July as previously disclosed)
- YTD Underlying operating profit before tax *(Note 1)* of USD 11.1 million (3Q 2019: USD 2.3 million) on an adjusted basis compared to reporting basis net profit before tax of YTD USD 18.2 million (3Q 2019: USD 4.1 million)
- Cash balances at 30 September 2019, including cash held for bank guarantee related to Sfax Offshore Exploration Permit (SOEP), at USD 20 million and gross debt of USD 26.3 million
- Successful completion of private placement post period end in October raising approximately USD 16 million
- Sale of Panoro's interest in OML-113 to PetroNor for initial consideration USD 10 million in shares, subject to customary conditions precedent

Dussafu

- YTD average gross daily production of approximately 12,108 with Q3 average gross daily production of 11,650 bopd (Net to Panoro YTD: 1,009 bopd; 3Q 2019: 971 bopd)
- Tortue Phase 2 development drilling started in October 2019
- 2020 full year gross production guidance of 19,500 bopd with second half of the year anticipated to average at 23,000 bopd
- Transformational Hibiscus Updip discovery 45.4 million gross 2P barrels
- Dussafu gross 2P reserves increased by 68% to 112.4 million barrels
- Dussafu Phase 3 improved through Hibiscus discovery with production capacity expected above current FPSO nameplate capacity
- Dussafu phase 3 FID approved by Panoro, subject to JV partner approval

Tunisia

- YTD TPS average gross daily production of approximately 3,770 bopd with 3Q 2019 average gross daily production of 3,435 bopd (Net to Panoro YTD: 1,109 bopd; 3Q 2019: 1,010 bopd), the reduction caused by several well workovers during the quarter
- Several well workover operations ongoing now and through January on wells across three fields, with the goal of achieving our targeted production of 5,000 bopd
- Further production opportunities have been identified for 2020
- Rig contract signed with CTF, the Tunisian state-owned drilling company, for drilling Salloum West Prospect in early 2020 with further planning well advanced

Aje

- YTD average net daily production of approximately 338 bopd with Q3 average daily production at 270 bopd impacted by the field shut-in during July as previously disclosed
- JV partners continue to focus on advancing the Turonian development plan

(Note 1) Non-GAAP financial measures

From first quarter 2019, the Group has enhanced its disclosures and introduced the reporting of Underlying Operating Profit/(Loss) before tax, a Non-GAAP Financial Measure. Underlying Operating Profit/(Loss) before tax is considered by the Group to be a useful additional measure to help understand underlying operational performance. The definition and details of this Non-GAAP measure can be referred to on page 7 of the third quarter, 2019 report.

Panoro will hold a live webcast presentation of the 3Q results today at 09:00 a.m. CET, during which the Company will discuss the third quarter 2019 results. The webcast can be accessed through the following link where a presentation will be relayed in listen only mode. (http://view-w.tv/819-1577-22787/en). Questions can also be submitted via this link and will be covered by management in the Q&A session of the call.

Should the participants wish to ask questions on the call, the audio of the webcast can be accessed through the following calling numbers with the features to ask live questions.

Participants are asked to dial-in five to ten minutes prior to the start time using the number and password below:

Toll Free – Norway	800 19 457
Local – Oslo, Norway	+47 2 156 3318
Toll Free – USA	+1 866 966 5335
Local – New York, USA	+1 212 999 6659
Toll Free – UK	0808 109 0700
Local – London, UK	+44 (0) 203 003 2666
Password:	Panoro

Participants dialling in from outside these countries may use the UK or USA number. A replay of the webcast will be available shortly after the event is finished and will remain on our website for approximately 7 days.

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