



Panoro Energy Announces Full year 2019 Results

Oslo, 26 February 2020 - Panoro Energy (the “Company” or “Panoro” with OSE ticker: “PEN”) today announces the full year 2019 financial results and corporate updates.

John Hamilton, CEO Panoro said: *“Panoro has achieved exceptionally strong financial and production results in 2019, with many metrics being a record for the Company since the 2014/2015 board and management changes. The transformational Hibiscus oil discovery in Gabon is also the largest exploration success to date for the Company. The outlook for 2020 and beyond should see these positive trends continue, with material additional production to increase across the Company’s core assets, along with exciting exploration wells to be drilled. Panoro is committed to implement a balanced approach to both growth and returning capital to shareholders through a dividend policy. We anticipate that Panoro’s shareholders will receive a very first dividend in the form of PetroNor shares upon completion of the Aje sale. Panoro also intends to distribute up to 50% of net profit in the form of dividend payments or share buybacks once Ruche Phase 1 production is fully on stream. We look forward to delivering on our strategy for the benefit of all our stakeholders.”*

2019 Financial Highlights

- 2019 average net production approximately 2,371 bopd (2018: 1,315 bopd)
- 2019 Oil Sales and Other Revenue from continuing operations¹ USD 48.2 million in line with guidance (2018: USD 3.5 million). (Note Nigeria now excluded from continuing operations)
- 2019 EBITDA from continuing operations of USD 25.9 million (2018: negative USD 3.8 million) in line with guidance. (Note Nigeria now excluded from continuing operations)
- 2019 Underlying Operating Profit before tax from continuing operations² of USD 14.8 million (2018: loss of USD 3.7 million)
- 2019 reporting basis net profit before tax from continuing operations of USD 19.2 million (2018: loss of USD 4.3 million)
- Year-end cash balances of USD 30.4 million including cash held for bank guarantee and external debt of USD 25.4 million
- Successful completion of private placement in 4Q 2019 raising USD 16 million

Operational Highlights

- Transformational exploration discovery at Hibiscus in Gabon
- DTM-4H and DTM-5H wells successfully drilled and completed at Tortue field
- Dussafu Ruche Phase 1 FID approved by JV partners
- Workover operations underway in Tunisia to achieve 5,000 bopd gross production
- Rig secured to drill well on Guebiba field, to be followed by Salloum West exploration well

Business Development Highlights

- Agreement to divest OML 113 signed in 4Q 2019 for USD 10 million plus up to USD 25 million of contingent consideration
- Farm-in agreement signed on 25 February 2020 for 12.5% Working Interest in Block 2B, offshore South Africa

Outlook and Guidance

- Tortue Phase 2 production wells on track to commence in early March (two) and June (two)
- Up to five exploration wells to be drilled during the year
- Production operations activity in Tunisia at unprecedented levels
- Annual net production guidance between 2,600 bopd to 3,100 bopd (excluding Aje)
- 11 international crude liftings guided, with smaller domestic sales in addition
- 2020 net capital expenditure guidance of USD 31 million, to be funded from existing resources
- Dividend of PetroNor shares upon completion, and new strategy to return up to 50% of net profits following Ruche Phase 1 entering into production at end 2021

¹ Discontinued Operations

Aje operations in Nigeria classified as discontinued operations following divestment agreement, pending completion, and excluded from continuing activities.

² Non-GAAP financial measures

From start of 2019 the Group has enhanced its disclosures and introduced the reporting of Underlying Operating Profit/(Loss) before tax from continuing operations, 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 found on page 7 of the fourth quarter 2019 report.

Panoro will hold a live webcast presentation of the results today at 09:00 a.m. CET. The webcast can be accessed through the following link where a presentation will be relayed in listen only mode. (view-w.tv/819-1577-23102/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

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