



Panoro Energy Announces Half Year 2020 (1H) Results and Provides Operations and Corporate Updates

Oslo, 27 August 2020 - Panoro Energy (the "Company" or "Panoro" with OSE ticker: "PEN") is pleased to announce its financial and operating results for the six months ended 30 June, 2020:

John Hamilton, CEO of Panoro, commented: *"Further to the decisive actions taken earlier in the year, the second quarter has seen a gradual return to a more stabilised operating environment, and in fact oil production has performed very well, with record quarterly output achieved. We are very excited by the newly reprocessed Dussafu seismic, acquired by Panoro in 2013, indicating that the Hibiscus area volumes could potentially be three times as big as initially estimated. Our strong hedging position has yielded robust results, and our hedges extend until the end of 2021. Despite significant challenges remaining due to COVID-19, the Company is well positioned to deliver organic growth through a focus on boosting production in Tunisia and on restarting delayed activity in Gabon."*

Financial Highlights

- Record quarterly production levels since 2013
- Third straight quarter of production increases to approximately 2,347 bopd net for 2Q 2020
- Gross revenue excluding hedging income from continuing operations¹ of USD 8.5 million for the first six months of 2020 from three international oil liftings
- Operating cost of under USD 15 per barrel of oil produced for the six months to 30 June 2020
- Positive EBITDA and Operating Cash Flow (including hedges) in 2Q and 1H, despite very low oil price and higher operating costs linked to workovers in Tunisia
- Net income after tax for the six months to 30 June 2020 of USD 3.4 million, principally from realised and unrealised gains on crude oil hedges of USD 9.2 million
- Capital expenditure of USD 9.1 million year to date (USD 4.1 million for the second quarter), largely completing planned spending for 2020
- Cash balances of USD 19 million at 30 June 2020 (31 March 2020: USD 24.2 million) including cash held for bank guarantee
- Receivables from crude oil sales were USD 4.3 million at 30 June 2020 (31 March 2020: USD 3.1 million). USD 2.7 million of these was collected subsequent to quarter end
- Debt of USD 22.8 million (31 March 2020: USD 23.4 million), with USD 2.9 million having been repaid in the first half, followed by a further USD 0.7 million repayment in July

Operational Highlights

- Production and lifting operations maintained and largely unaffected through crisis
- Health and Safety systems and protocols proved resilient
- In Gabon, quarterly production at record high of 15,991 bopd gross on average, with current production in excess of 18,000 bopd
- At Dussafu, seismic reprocessing completed, potential for material increase in hydrocarbon volumes at Hibiscus
- Tunisian quarterly production of 3,903 bopd gross on average, with periods of production at 4,300
- In Tunisia, operational constraints imposed by the COVID-19 pandemic gradually began to be released in the latter part of May though international travel restrictions still apply
- Workover activities recommenced in June with multiple wells currently being prepared for production

- Guebiba 10 side- track spud in August with rig CTF 06, targeting undrained oil in a location close to the crest of the field

Corporate Highlights

- Hedging strategy proving effective in period of extremely volatile and low oil prices, realising USD 2.7 million in finance income during 1H
- Three non-executive directors purchased shares during the quarter

Outlook and Guidance

- Two international liftings (one of each Tunisia and Gabon) for 3Q; three liftings expected in 4Q (two Gabon, one Tunisia)
- Hedging position remains strong at approximately 25% of production hedged until end 2021 at USD 55 per barrel
- 2020 net production guidance of 2,300-2,500 bopd
- In Gabon, production from DTM-6H (drilled but not tied in) and DTM-7H (to be drilled) to be brought into production likely during 1H 2021
- Production growth activity in Tunisia at unprecedented levels
- Dividend of PetroNor shares to Panoro shareholders upon completion of sale of Aje

(1) Discontinued Operations

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

The Company will hold a live presentation of the Half year results at 09:00 a.m. CEST today, during which management will discuss the results and operations of the period. After conclusion of the discussion, participants will be invited to ask questions on the results report.

The results presentation can be accessed through registering at the link below and the online access to the event will be equipped with features to ask live questions. The audio Q&A feature will only be available for attendees who join online. Joining instructions for participating online or through using local dial-in numbers will be available upon completion of registration. The presentation details are as follows:

Date and Time:	27 August 2020, 09:00 a.m. CEST
Registration:	<p>https://attendee.gotowebinar.com/register/8566658338913719309</p> <p><i>After registering, participants will receive a confirmation email containing information about joining the results presentation.</i></p> <p><i>Participants can use their telephone or computer microphone and speakers (VoIP).</i></p>

Please join the event at least five minutes before the scheduled start time.

A replay of the 1H results presentation will be available shortly after the event is finished and will remain on our website (www.panoroenergy.com) 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.