



Panoro Energy – Trading Statement and Operations Update

Oslo, 20 October 2021 – Panoro Energy ASA (“Panoro” or the “Company”) is pleased to provide an update on operations and business performance in advance of the Company’s third quarter results which are due for release on 22 November 2021. Financial and production information within this announcement remains subject to final reconciliation.

John Hamilton, CEO of Panoro, commented today:

“We are pleased to update on the good progress being made across our portfolio of production and development assets. With five new production wells on schedule to start up in the fourth quarter at Block G in Equatorial Guinea and the Dussafu Marin Permit in Gabon and stable production in Tunisia we continue to have our sights on achieving net working interest production of around 9,500 bopd by year end. With oil prices touching three-year highs and a busy lifting schedule in the fourth quarter, we expect to further consolidate our already strong financial position.”

Production

Company working interest production for the first nine months on a pro-forma basis averaged approximately 7,500 bopd, a year-on-year increase of around +246% compared to the first 9 months of 2020.

Equatorial Guinea - Block G (Panoro 14.25%)

The operator of the Ceiba field and Okume Complex, Trident Energy, announced on 14 October the installation of a new gas lift distribution unit (“GLDU”) had been successfully completed as part of its latest campaign to optimise production at the Ceiba field. This follows on from the installation of a hot-tapping saddle to create new gas injection points on subsea jumpers in addition to replacement of a flowline riser. With 60% to 80% of the fields production dependent on the gas lift system, installation of a new subsea network was a key priority to provide increased reliability and optimise long term production performance. The entire project was completed without a single lost time injury.

At the Okume Complex, the current three well infill drilling campaign is progressing as planned, with all three wells expected onstream during the fourth quarter.

Company working interest production for the first nine months averaged approximately 4,240 bopd.

Gabon - Dussafu Marin Permit (Panoro 17.5%)

As part of the Tortue Phase 2 field development, hook-up of the final two production wells DTM-6H and DTM-7H has been completed and handover to production operations made. Production start-up commenced at the DTM-7H well on 19 October and will be followed by the DTM-6H well in the coming days. Volumes from the two new production wells will add to the existing current gross production rate of around 11,500 bopd and will be updated at the Company’s third quarter results due on 22 November when a stabilised production rate from the new wells is known.

The DTM-6H and DTM-7H wells conclude the Tortue Phase 2 development, whereby the Tortue field now comprises six production wells tied back to the FPSO BW Adolo. The Phase 2 development was completed by the operator BW Energy with zero Health, Safety, Security and Environment (HSSE) incidents.

Gross production from the Tortue field for the first nine months averaged approximately 11,000 bopd and for the third quarter approximately 9,000 bopd. Third quarter production reflects plant shutdowns and temporary production outages related in large part to the previously communicated shortage of gas lift capacity. A nitrogen unit has been installed on the BW Adolo which has significantly improved production efficiency.

Company working interest production for the first nine months averaged approximately 1,920 bopd.

Tunisia – TPS Assets (Panoro 29.4%)

Gross production continues in the 4,500 to 5,000 bopd range with an active workover campaign ongoing. At the Guebiba field a recent workover at GUE-14 has again demonstrated the benefits of stimulation activities undertaken in conjunction with ESP replacements where the well productivity was boosted by some 50%. At the Rhemoura field a workover is in progress at RHE-1ASTG to replace a failed ESP. At the Cercina field a further workover at CER-6AS is pending improved weather conditions in the new year.

Elsewhere, efforts are ongoing to reinstate one of the two export pipelines from the well El Ain site which would permit the production of EL AIN-1 while a new pipeline and pump installed at GUE-8 has permitted water injection rates to the Guebiba field to be increased, supporting the enhanced production from the Douleb reservoir.

Company working interest production for the first nine months averaged approximately 1,340 bopd.

Finance and crude liftings

The Company recognises revenue as liftings of its crude oil entitlement occur. As previously guided, there were no Panoro liftings in the third quarter in Equatorial Guinea or Gabon, with only one domestic lifting occurring in Tunisia. The Company therefore does not expect to report a materially different revenue to that reported for the first half.

In the fourth quarter the Company expects four liftings net to Panoro of approximately one million barrels in aggregate in Equatorial Guinea, Gabon and Tunisia.

At 30 September cash at bank stood at approximately USD 45 million (including USD 10 million cash held for bank guarantee) and gross debt USD 97 million, resulting in a net debt position of approximately USD 52 million.

Balances at 30 September reflect principal debt repayments of approximately USD 7 million in the third quarter and profits tax payments in Equatorial Guinea of approximately USD 12 million, where profits taxes due are paid annually in the third quarter.

Enquiries

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About Panoro Energy

Panoro Energy ASA is an independent exploration and production company based in London and listed on the main board of the Oslo Stock Exchange with the ticker PEN. Panoro holds production, exploration and development assets in Africa, namely a producing interest in Block-G, offshore Equatorial Guinea, the Dussafu License offshore southern Gabon, OML 113 offshore western Nigeria (held-for-sale, subject to completion), the TPS operated assets, Sfax Offshore Exploration Permit and Ras El Besh Concession, offshore Tunisia and participation interest in an exploration Block 2B, offshore South Africa.

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