



## **Panoro Energy – Q1 2022 Trading Statement and Operations Update**

Oslo, 5 May 2022 – Panoro Energy ASA (“Panoro” or the “Company”) today provides an update in advance of its first quarter 2022 results which are scheduled for release on 25 May 2022. Information contained within this release is unaudited and may be subject to further review and amendment.

### **John Hamilton, CEO of Panoro, commented:**

*“Oil prices have strengthened considerably since the start of the year and with less than eight percent of our production hedged in 2022, Panoro is well positioned to capitalise on the elevated oil price environment. Our first quarter production performance of 8,300 barrels oil per day is within our full year average guidance range of 8,000 to 9,000 barrels oil per day and is our best ever quarterly production performance to date. Our revenue, which is recognised as liftings occur, is also in line with our expectations. As previously guided we anticipate the majority of Panoro’s crude liftings, and therefore revenue, will occur in the second half of the year. With active work programmes underway at each of our producing assets and a planned exploration well in South Africa later in the year we are making good progress towards realising the organic growth potential of our high quality and well diversified asset base.”*

### **Corporate update**

- Q1 working interest production in line with expectation averaging approximately 8,300 bopd and is within the Company’s FY 2022 guidance range of 8,000 to 9,000 bopd
- Q1 revenue is expected to be approximately USD 13.8 million generated from crude sales of approximately 128,500 barrels, in line with previously guided liftings for the quarter, at an average realised price of approximately USD 108 per barrel in the period
- Cash at bank at 31 March 2022 was approximately USD 29 million
- Gross debt at 31 March 2022 was approximately USD 86.4 million after scheduled principal repayments of USD 6.3 million were made in the quarter
- The Company has only limited historical hedges in place over 600 bopd in 2022 (costless collars with a USD 56/bbl floor and 65.5/bbl ceiling). The Company’s 2022 crude oil entitlement liftings will be significantly weighted towards the second half of the year. Management is implementing a hedging programme to coincide with its liftings and to maximize its exposure to the high oil prices environment
- The Company will hold its Annual General Meeting on 25 May 2022. In addition to recommending the re-election of the current Board for a period of one year, the Nomination Committee proposes a sixth member, Grace Reksten Skaugen, be appointed to the Board. Ms. Skaugen is a board member and co-founder of the Norwegian Institute of Directors. She holds several board positions in listed companies including with the Swedish investment company Investor, Euronav Tankers and Lundin Energy as well as PJT Partners, a US investment bank. She is a Trustee of the International Institute for Strategic Studies (IISS) in London. She was deputy chair of Statoil (now Equinor), from 2012 to 2015 and served on its board for thirteen years. Ms. Skaugen is a physicist by education and holds a PhD in laser physics from Imperial College in London

## Operations update

- **Equatorial Guinea (Panoro: 14.25%)**

- Q1 2022 working interest production averaged approximately 4,968 bopd (gross production 34,866 bopd)
- Operator Trident Energy is undertaking a workover programme at the Okume Complex and has completed the Okume upgrade project which will improve process reliability, power generation and fluid handling / injection capabilities
- Ceiba export hose replacement completed
- Various routine maintenance and upgrade projects progressed during quarter
- Planning for possible future drilling activity underway

- **Gabon (Panoro: 17.5%)**

- Q1 2022 working interest production averaged approximately 2,030 bopd (gross production 11,600 bopd)
- Production in the period reflects a 12-day planned annual maintenance shut-down which was pre-communicated by the operator BW Energy
- Development of the Hibiscus / Ruche Phase I project is on track

- **Tunisia (Panoro: 29.4%)**

- Q1 2022 working interest production was stable throughout the first quarter and averaged approximately 1,304 bopd (gross production 4,435 bopd)
- The TPS team are about to embark on an extensive workover campaign to replace two ESP's in addition to further production enhancement operations
- New production opportunities include the completion of the Douleb reservoir in GUE-10AST and perforation and stimulation activities on three further Cercina wells

- **South Africa (Panoro: 12.5%)**

- Rig contracted to drill the Gazania-1 exploration well in the fourth quarter
- Expected to mobilise from the North Sea in August for a 45-day passage to South Africa

- **Sale of Nigerian asset**

- Government approvals for the sale of Panoro's 6.502% interest in OML 113 to PetroNor E&P were received in January, satisfying the last key condition precedent for the sale
- Panoro and PetroNor E&P are proceeding towards completion, including the issuance of new PetroNor E&P shares for distribution to Panoro shareholders. The long stop date for completion of the transaction has been extended to 30 June 2022

## Outlook and guidance

- Full year 2022 average working interest production guidance is unchanged at 8,000 bopd to 9,000 bopd in 2022, of which approximately 60% is attributed to Equatorial Guinea, 25% to Gabon and 15% to Tunisia

- Panoro remains on track to achieve approximately 10,000 bopd net working interest production around year end following both the start-up of the Hibiscus/Ruche Phase 1 development offshore Gabon and activities in Equatorial Guinea, increasing to an expected rate in excess of 12,500 bopd during 2023
- Consistent with its strategy to create and deliver shareholder value, the Panoro Board is committed to sustainable shareholder returns and initiating a cash dividend at the earliest opportunity, the key determining factors being capital expenditures and timing of crude oil liftings

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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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