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E&P Independents Conference Presentation

Panoro Energy
P a n o r o E n e r g y
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Nishant Dighe, CEO

12 March 2015

Disclaimer

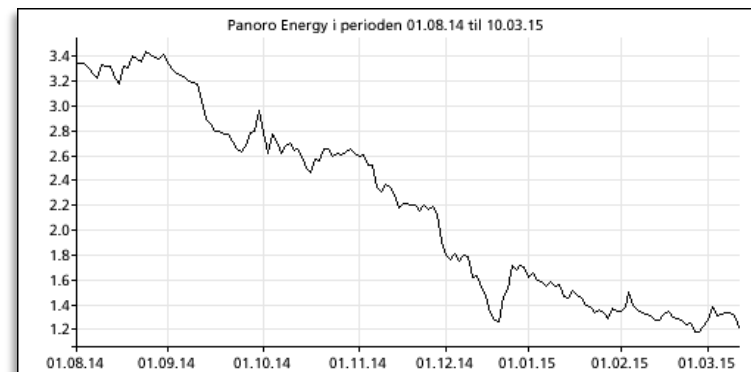
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Panoro Energy ASA – Company snapshot

- Oil and Gas E&P Company Listed in Norway, currently focused on West Africa
- Focused Management team. All staff based in London
- Strong Cash position of USD 40.9 million at end Q4 2014 (excluding USD 5.6 million unapplied net cash in JV accounts)
- Nigeria - Aje Development ongoing – first oil Q4 2015
- Gabon - Dussafu Field Development plan government approved. Operator sale process likely to impact FID.
- Significant exploration upside in both Aje and Dussafu outboard area
- Objective: Generate strong cash flows from expected net production:
 - 1,100 bopd in 2016 from Aje
 - 7,500 bopd from Dussafu 21 months from the point of FID

Key Facts	
OSE ticker code:	PEN
Shares outstanding ¹ :	234.5 million
Market Cap (10/03/2015):	~USD 35.6 million
Cash position as of end 4Q-14	USD 40.9 million
Debt	0
Reserves/Resources (unrisked)	1P = 1.8 MMbbl 2P = 3.2 MMbbl 1P + 1C = 24.4 MMboe 2P + 2C = 39.5 MMboe

¹Board and management directly control 3.69% shares in the Company.

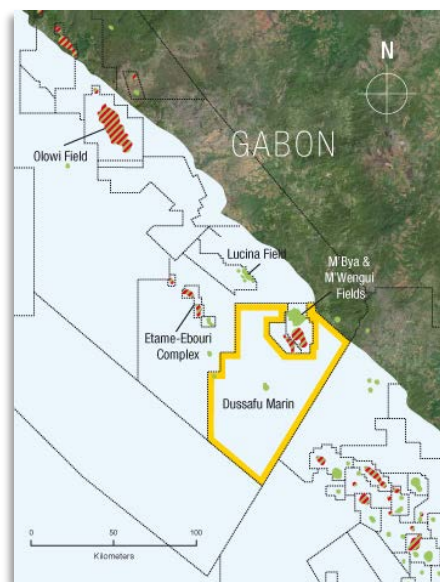


Panoro Assets in Africa

- Two core Assets in West Africa with discovered resources under development and significant exploration upside



Nigeria: OML 113, offshore Western Nigeria
Geologically part of the West African Transform Margin



Gabon: Dussafu Permit, offshore Southern Gabon
Geologically in the West African pre-salt

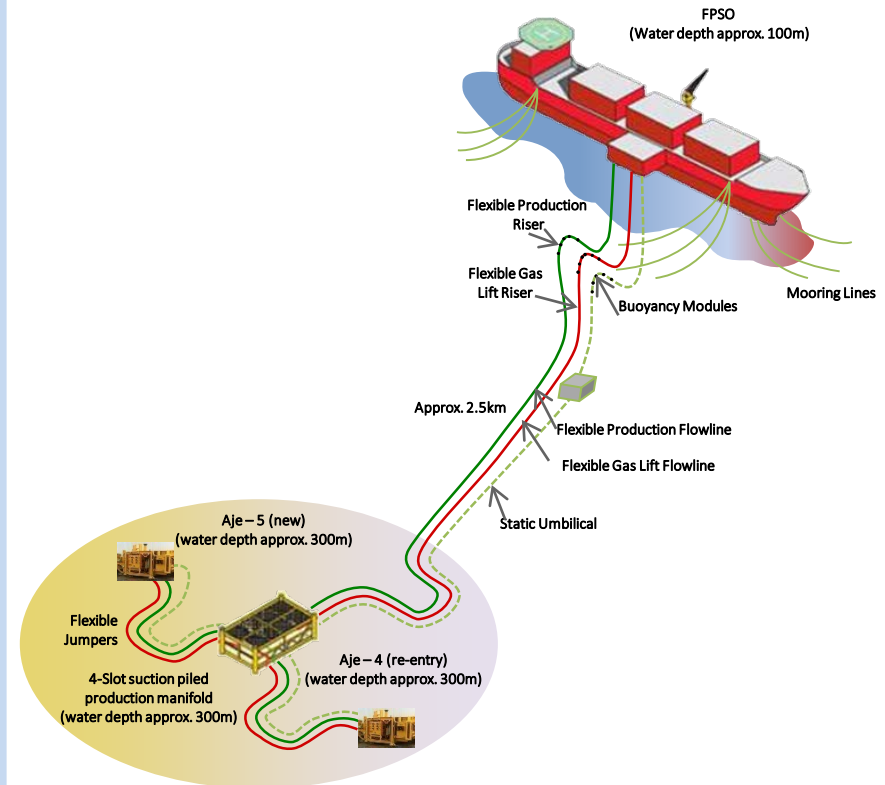


OML 113

Near term Aje field oil development followed by gas/condensate development and strong exploration upside

Project Status

- Partners are currently focused on delivering 2015 oil production from Aje field
- Initial 2 well Cenomanian oil project: Aje-4 re-entry and recompletion, and Aje-2 re-drill as Aje-5 well
 - Water depth for both rig Operations is 300m and FPSO to be stationed in 100m water depth
 - FDP approval received March 2014
 - FPSO contract signed October 2014
 - Rigs being considered for Q2 2015 drilling
 - Cenomanian first oil expected in YE 2015
- Based on field performance a further 2 Cenomanian development wells to be drilled
- Turonian gas condensate project will follow in later phase
- Major discovery in neighboring license (Ogo field). New 2014 3D seismic acquired and currently being processed to quantify upside on OML 113



Panoro : 16.255% paying interest, 6.502% working interest.

Panoro is entitled to 12.2% of the revenue stream from Aje field

Operator: Yinka Folawiyo Petroleum

Other partners: NewAge, FHN (Afren), EER, Jacka Resources

Aje Cenomanian Oil Development



Front puffin FPSO



Front puffin FPSO



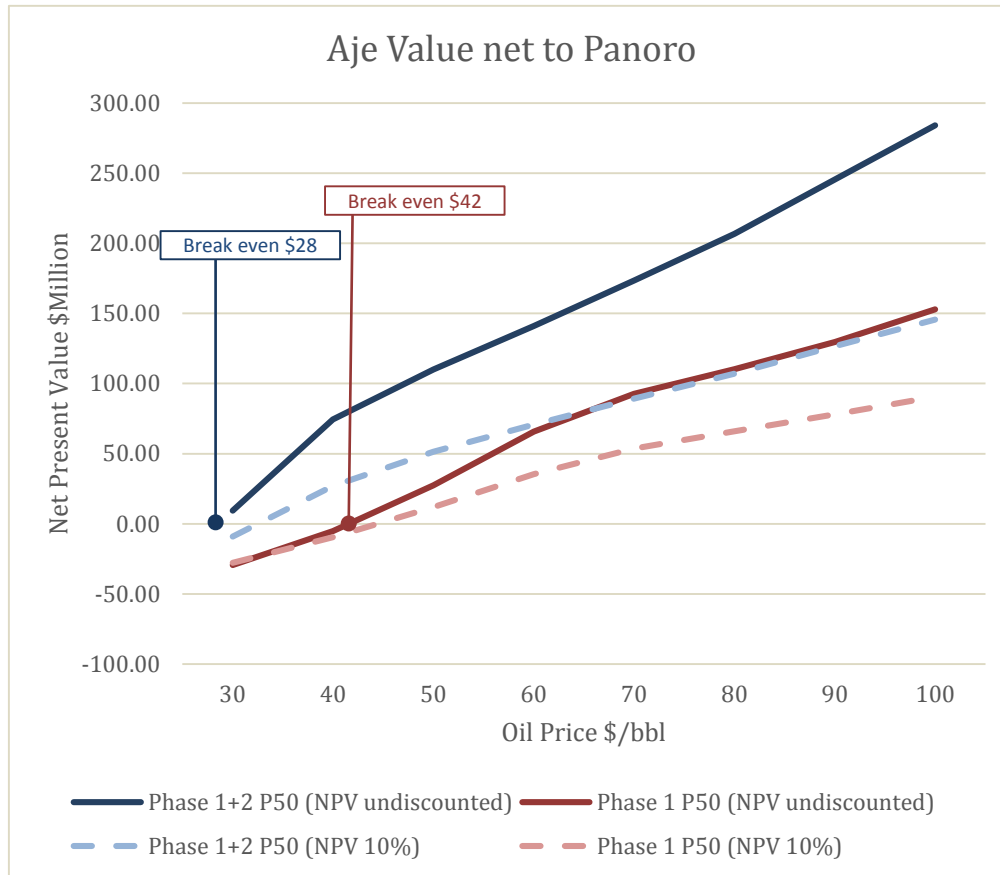
Subsea Trees



Installation Vessel

Joint Venture Metrics for Aje Oil Development

Cenomanian Oil Development only¹



Gross Field Development Metrics

Phase 1 and 2, Cenomanian P50 (50.80MMbbls²) – Aje 4, 5, 6 and 7

CAPEX from 1/03/2015 to first oil = \$149MM³
 Total CAPEX from 1/03/2015 = \$267MM
 Field Life² = 19 years
 Initial OPEX/bbl = \$17 / bbl
 Field Life OPEX² = \$1,490, Field life OPEX/bbl² = \$29.3 / bbl

Phase 1, Cenomanian P50 (28.46MMbbls²) – Aje 4 and 5 only

CAPEX from 1/03/2015 to first oil = \$149MM³
 Field Life² = 15 years
 Initial OPEX / bbl = \$22 / bbl
 Field Life OPEX² = \$1,120, Field Life OPEX/bbl² = \$39.3 / bbl

¹ JV economic model with 3% oil price and cost inflation per year

² At \$70/bbl oil price after Economic cutoff

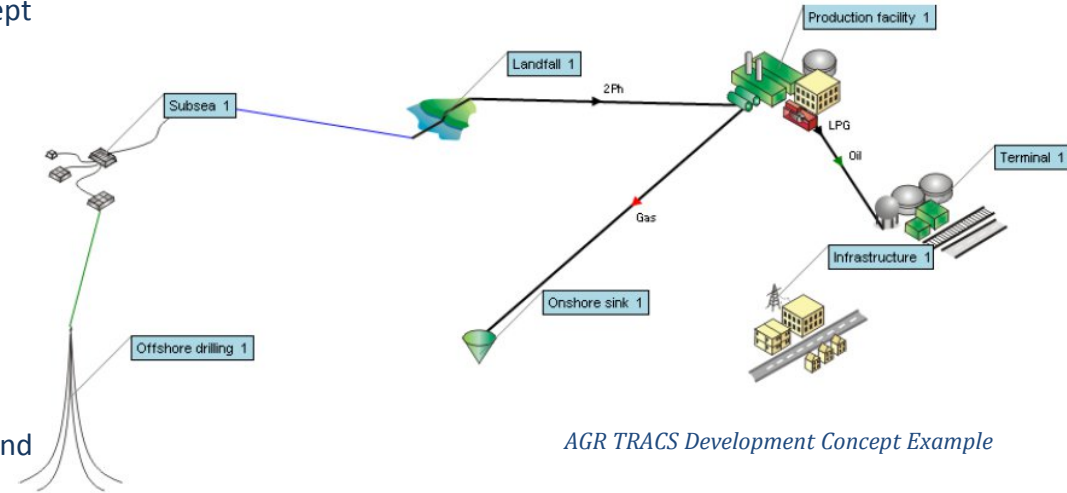
³ Based on Capex estimate provided by the Operator. Capex to first oil does not include \$20MM of cash backed JV bank guarantee to be in place for FPSO 3 year minimum charter period (\$5MM has already been paid)

Turonian Gas Condensate Field

Concept Evaluation Stage

- AGR TRACS Stand-alone Gas Development Concept Example¹ (JV will be evaluating this development concept as well as other alternatives)

- Turonian Gas is rich in valuable liquids
- AGR TRACS concept includes:
 - Subsea wells tied back via a subsea production manifold, 30km multiphase pipeline to shore, onshore gas treatment plant.
 - Export dry gas to nearby tie-in to WAGP, and truck exportation of Condensate and LPG



AGR TRACS Development Concept Example

- Initial commercial studies underway
 - Opportunities to supply Nigerian domestic market, including new power projects in Lagos State
 - Supply gas to under-utilised WAGP system and supply gas to underpin expansion of Ghana power plants
 - Other export opportunities under review
 - Significant interest from potential gas buyers

Case ¹	Number of Wells	Plateau Rate	Plateau length	Field Life	Total sales gas produced	Total condensate produced	Total LPG produced
P90	2	80 MMscf/d	12 years	19 years	397 bcf	15.2 MMbbls	27.2 MMbbls
P50	3	90 MMscf/d	17 years	24 years	583 bcf	22 MMbbls	40 MMbbls
P10	4	120 MMscf/d	19 years	27 years	1,080 bcf	30.6 MMbbls	55.7 MMbbls

¹ From AGR TRACS competent persons' report, 25th July 2014

Aje New 3D Seismic

■ OML 113 Prospectivity

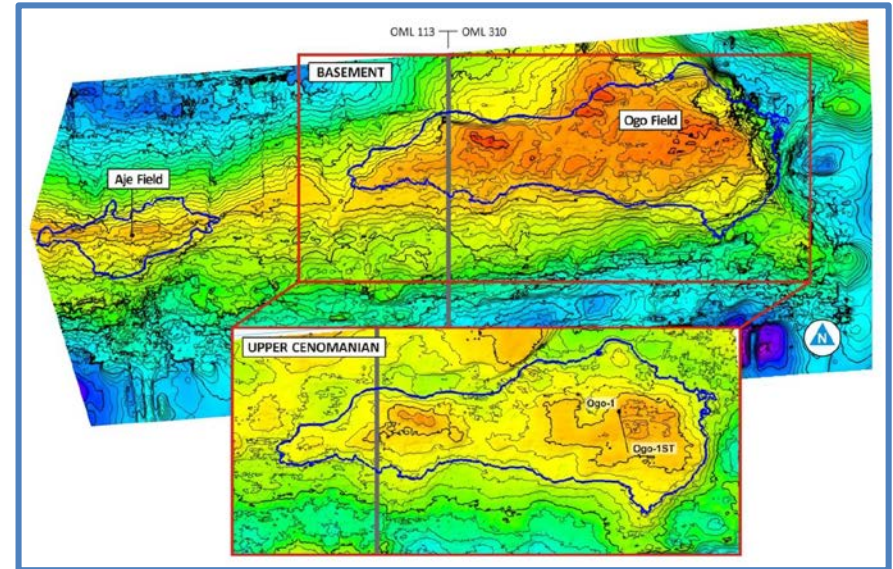
- 7 leads in post-rift middle cretaceous section have been identified from existing seismic data
- At least further 2 leads have been identified in syn-rift

■ Ogo 2013 Discovery in OPL 310

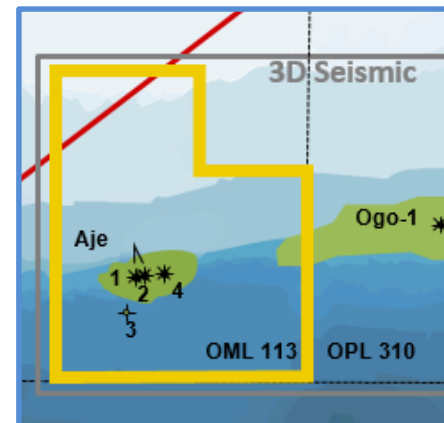
- Ogo-1 and Ogo-1ST were drilled on OPL 310 in 2013. Discovery reported to have P50 resources of 774 mmboc in Turonian – Cenomanian and syn-rift
- OPL 310 license holder mapping shows spill point at Upper Cenomanian level in Ogo extends into OML 113
- In order to unitise any OML 113 reserves in Ogo a delineation well would be required in OML 113

■ New 3D seismic data status

- In late 2013, 1000km² of 3D acquired in conjunction with OPL 310 license holders
- Depth processing over both licenses is ongoing and estimated to complete by early Q2 2015.
- Interpretation of new 3D seismic data will follow in 2015 with aim to quantify prospectivity in OML 113



"Ogo Discovery". Source: Afren



Area of coverage of New 3D

Dussafu

Large exploration and development block with multiple discoveries and prospects

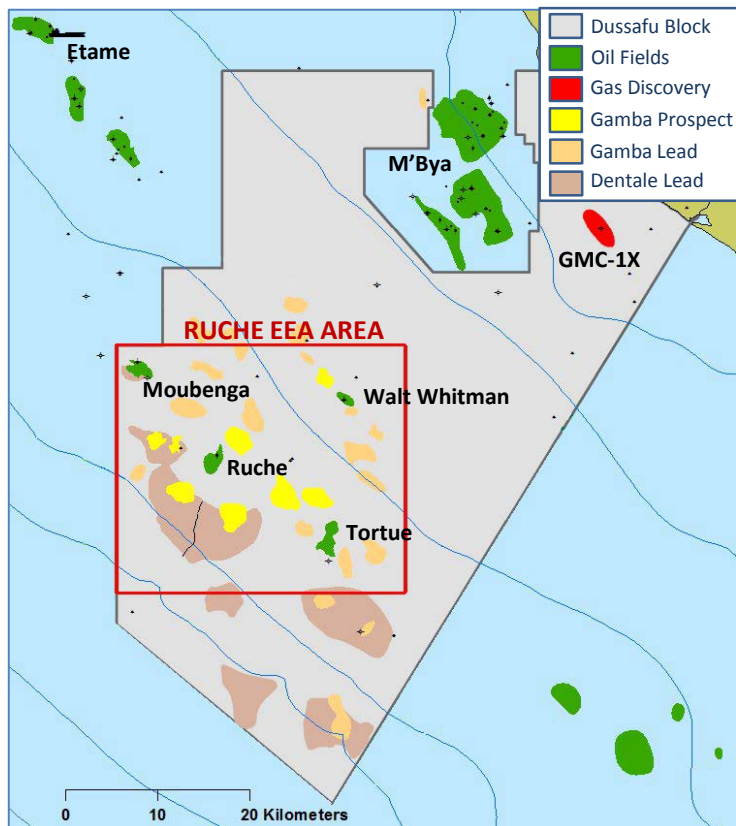
Dussafu (Gabon)

Operator Harvest Natural Resources (66.67%)

Working Interest 33.33%

Other Partners Back-in right of 10% held by joint venture of Tullow

Current stage Exploration and Development

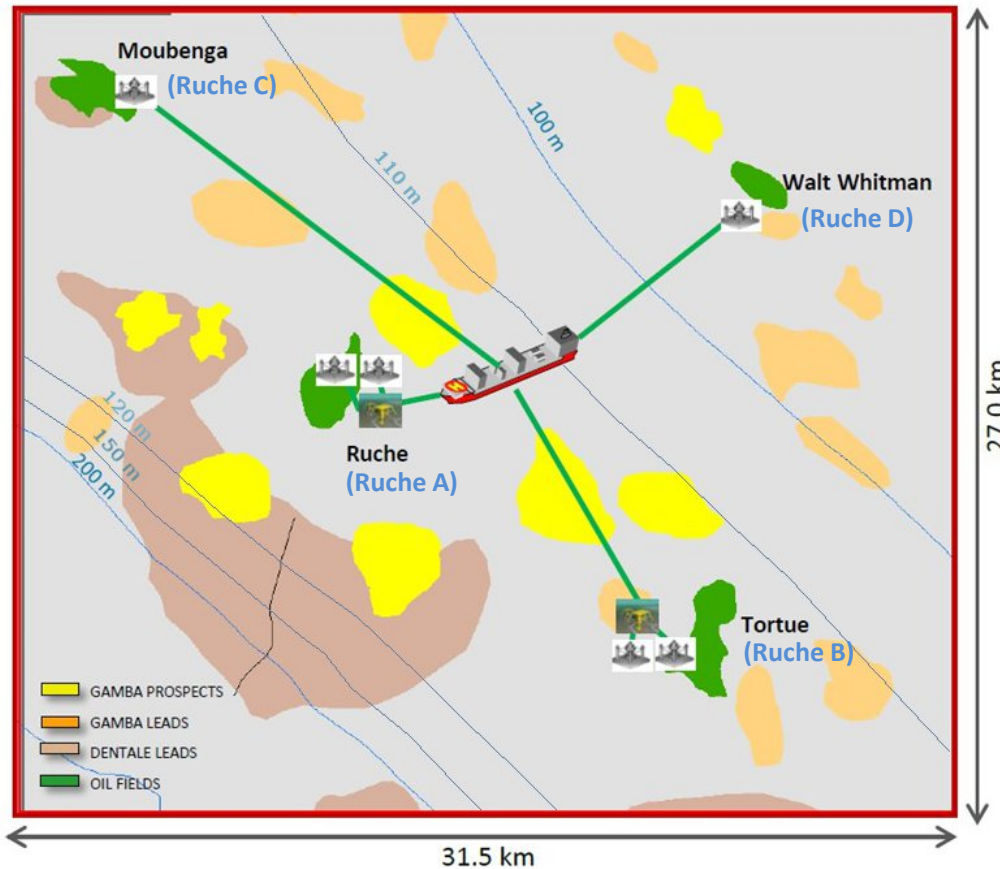


Project Status

- 2,775km² license in Southern Gabon pre-salt fairway
- Total of five pre-salt discoveries (4 oil, 1 gas) with upside/appraisal potential
- Panoro's oil discoveries in Ruche (2011) and Tortue (2013) have demonstrated a step change in the success rate of identifying oil-bearing structures
- Gaffney Cline reports received demonstrates commerciality of the discoveries with Economic Gross 2C Resources of 33.4MMbbl
- Important milestones achieved in 2014 with Declaration of Commerciality and award of Exclusive Exploitation Authorisation
- Field Development Plan has been approved by the Government of Gabon
- Following the 2013 outboard 3D seismic the block is now fully covered by 3D seismic data.
- Outboard 3D seismic processing completed and interpretation on-going

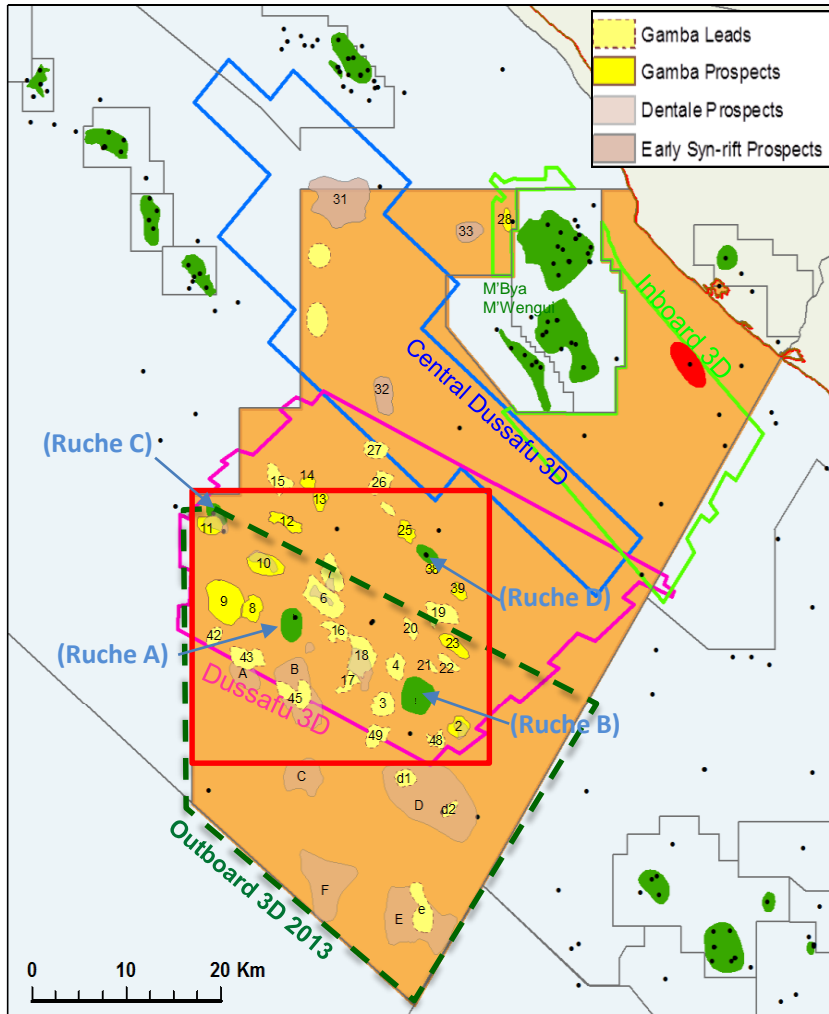
Dussafu – Exclusive Exploitation Authorisation (EEA)

Ruche EEA



- EEA awarded 17th July 2014
 - Area of 850.5 km²
- Dussafu JV can exploit hydrocarbon resources in EEA area for up to 20 years
- Detailed development and production program approved (FDP)
 - Single FPSO with tiebacks
 - Central Ruche location for FPSO
 - Multiple horizontal and vertical wells into four fields
 - Subsea tiebacks
- EEA area also captures prospective resources in satellite structures
- Water depth over area of Ruche A, B and C as well as main prospects is flat around 120m

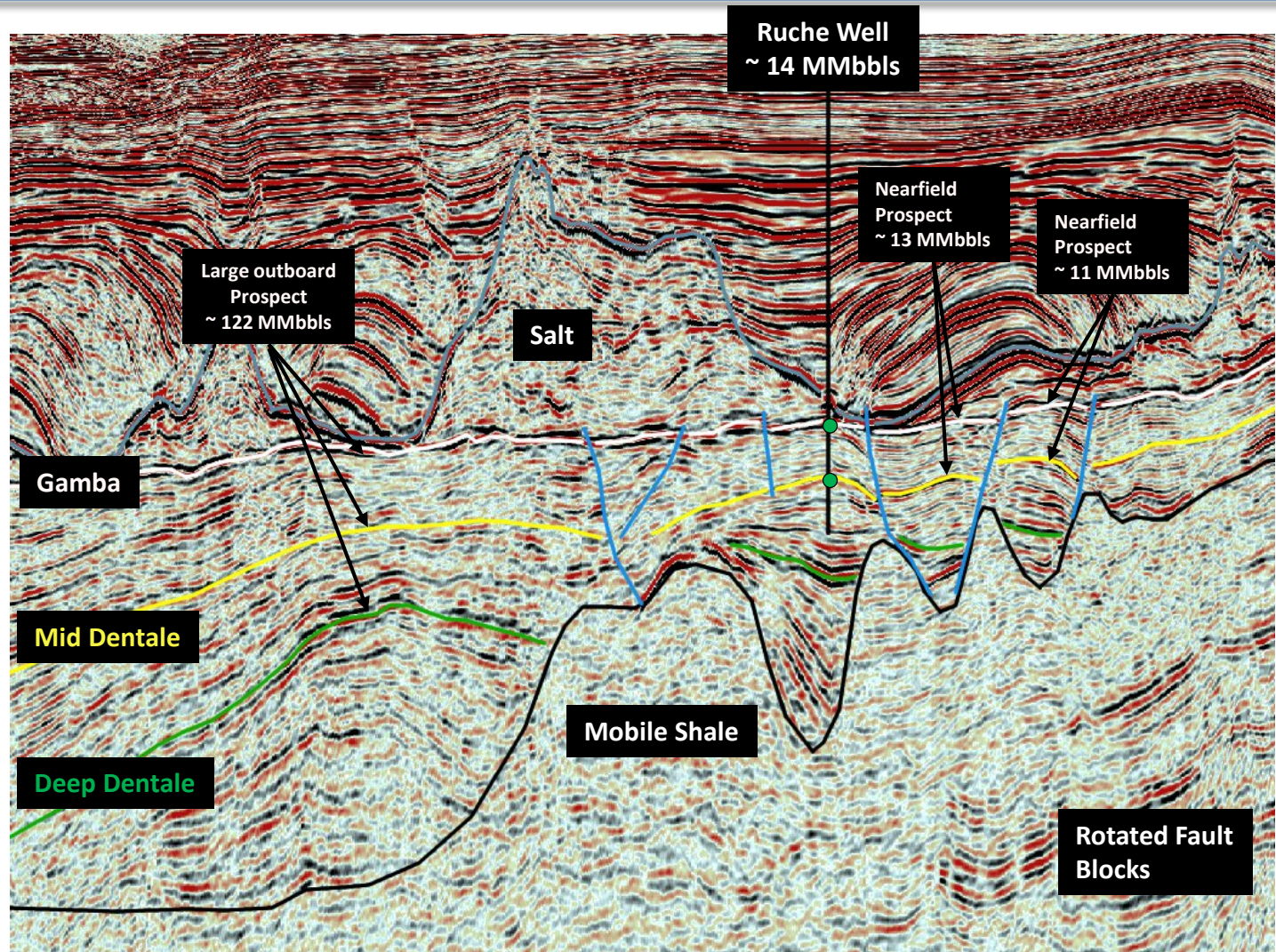
Dussafu Exploration Potential



- 3D seismic over whole license
- Gamba has historically been the main exploration target in pre-salt Gabon with world class oil fields – present over whole license
- Dentale has become an additional major contributor to value in Dussafu
 - Moubenga Dentale discovery (Ruche C) is part of FDP, and tested at 3700bopd. Tortue Dentale Sand 6, reservoir has very good reservoir quality. Other Tortue sands were also oil bearing and Ruche also found oil in Dentale.
- New 3D seismic outboard of Ruche and Tortue gives significant encouragement for large Gamba and Dentale structures
 - Thickened Dentale section apparent
 - Structure may be fold related rather than diaper induced
- EEA area includes several of these large prospects – JV now has exploitation rights to these for up to 20 years
- Additional prospects may be present outside EEA in outboard part of license

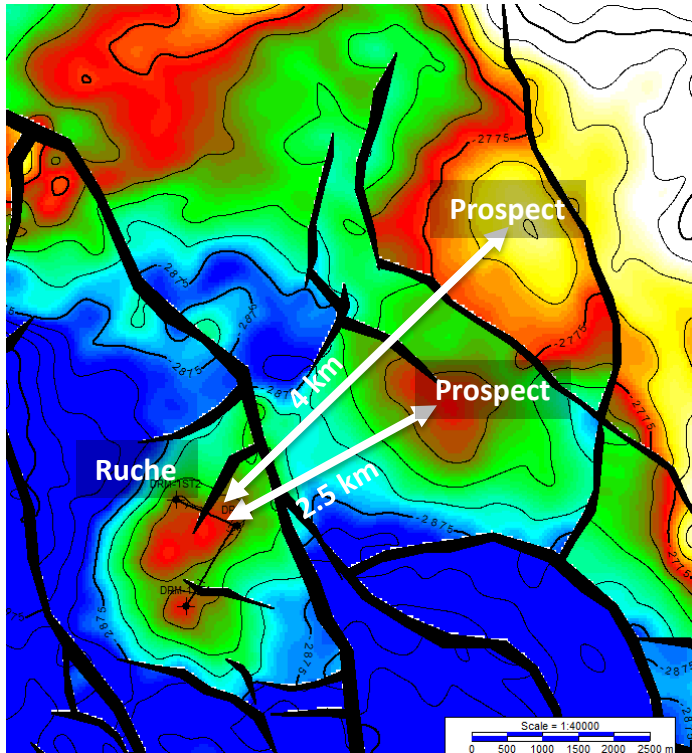
Example seismic data from new 3D in EEA area

- Improved Base of Salt reflection
- Improved imaging of faulting and structure in Dentale section
- Improved mobile shale
- Evidence of rotated fault block beneath mobile shale
- Numerous low risk nearfield prospects mapped
- Five large outboard prospects mapped
- Thick Dentale section – multiple stacked reservoirs possible



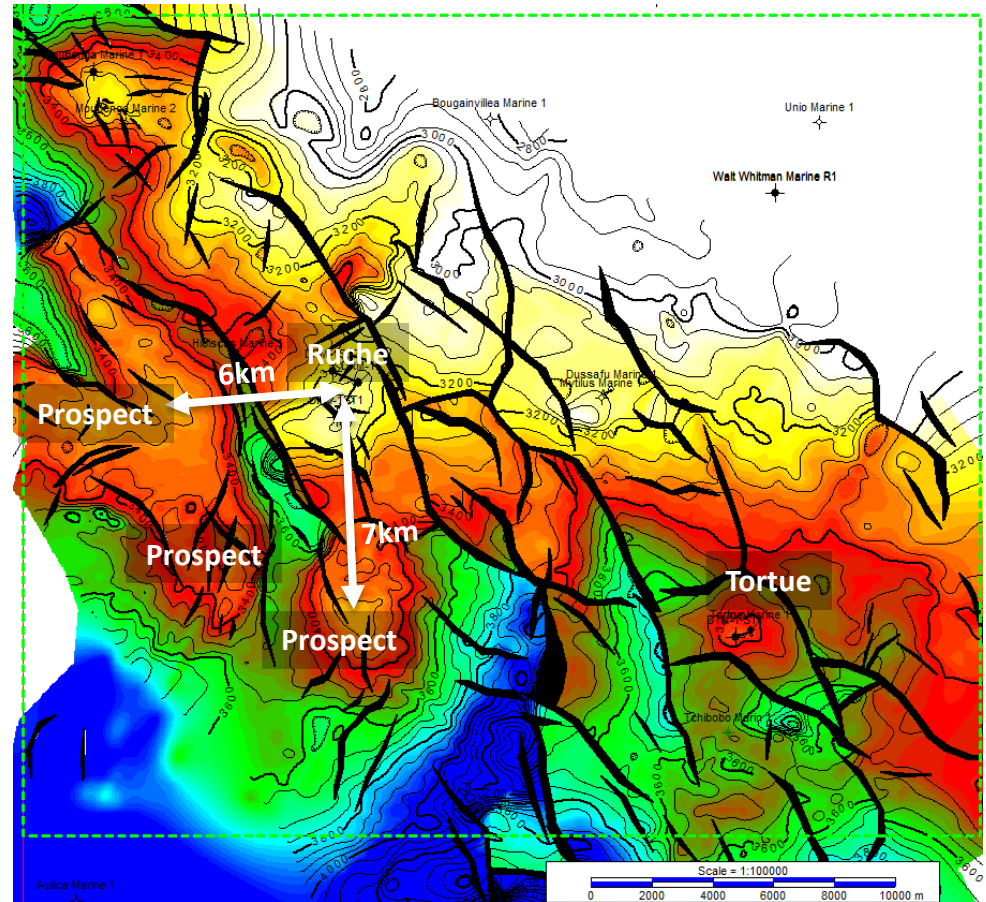
Depth Maps within EEA area

Gamba Level Depth mapping



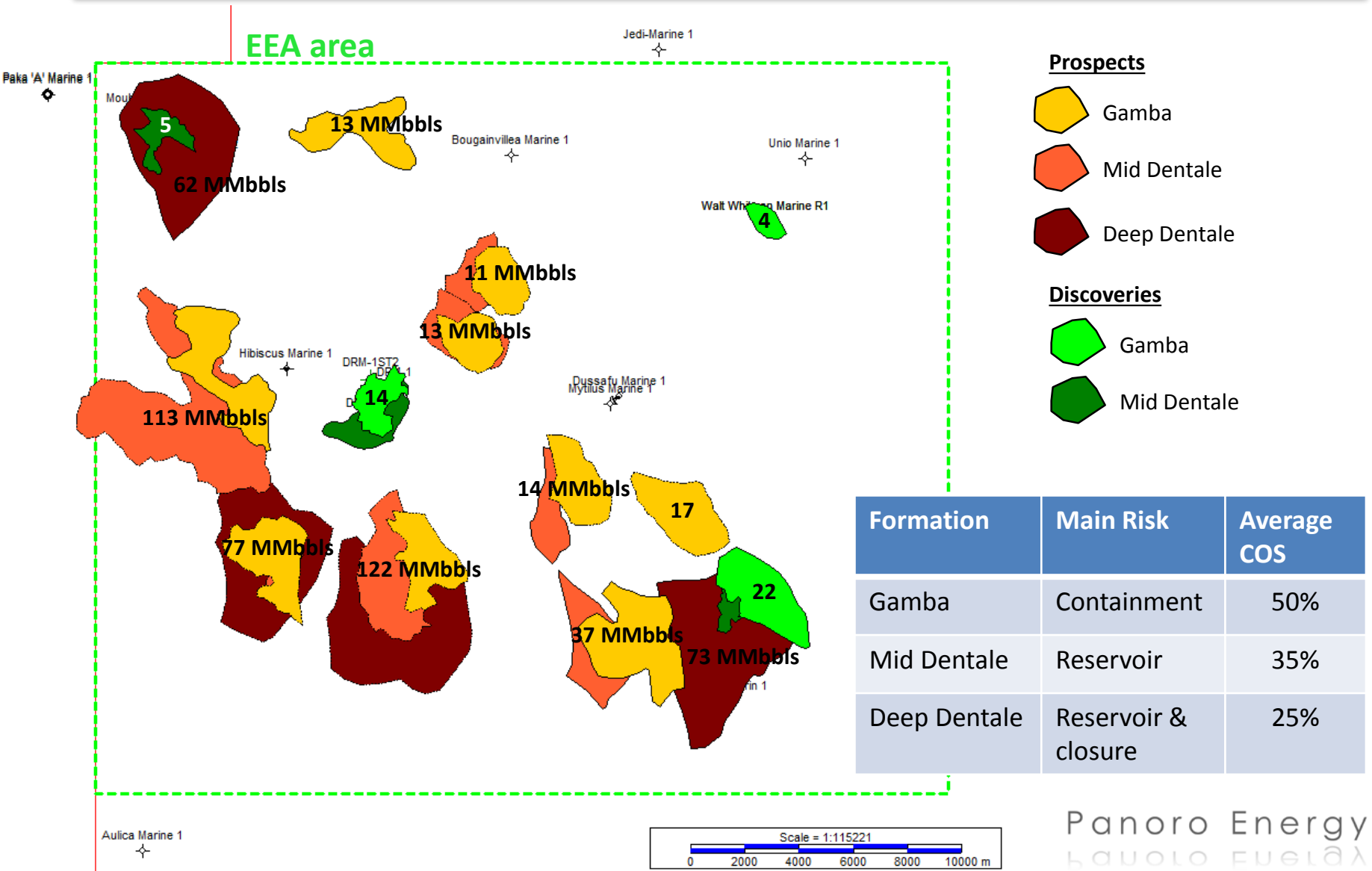
Small 10-15MMbbl low risk prospects within short tie-back distance to Ruche field

Dentale Level Depth mapping



Several Large structures may contain >100MMbbls recoverable in multiple zones, within short tie back distance to Ruche

Prospective Resources in EEA area (Panoro mid case)



Conclusions from Seismic

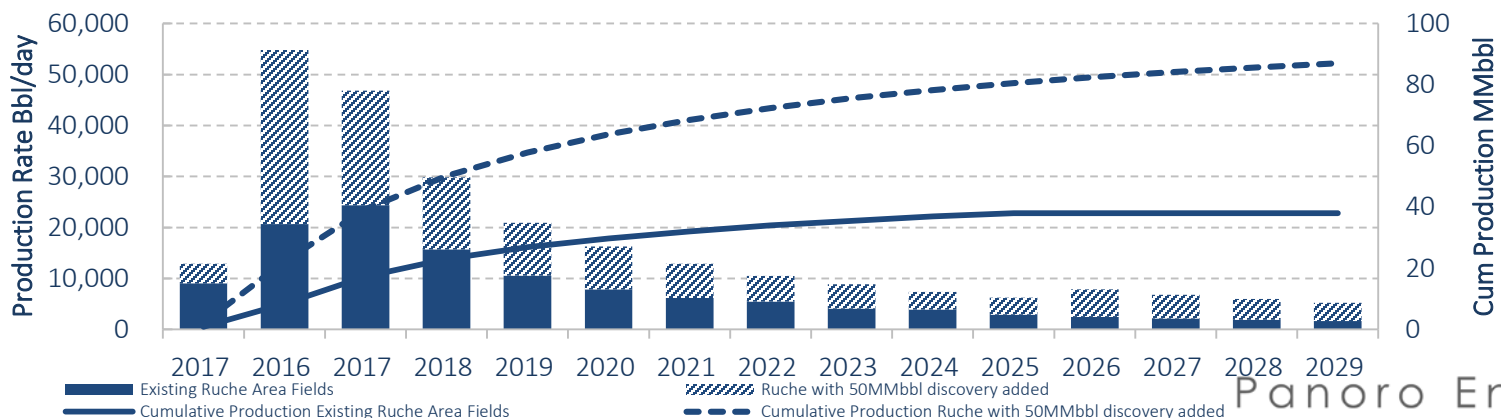
- Panoro has conducted its own internal review of the seismic data
- Preliminary work so far shows very encouraging exploration potential
- 11 robust structures mapped on new data, all within tie back distance to proposed cluster development
- Panoro has identified Low–mid–high gross unrisked prospective resources of 251-551-1011 MMbbls within the EEA area
- Low-mid-high risked prospective resources of 86-183-329 MMbbls, or 29-61-110 MMbbls net to Panoro
- Oil potential at multiple levels in each prospect, Gamba and multiple stacked sands in Dentale
- Prospectivity outside of the EEA area has not been quantified yet by Panoro
- Further work remains to be completed to certify these prospective resources and mature exploration prospects into drillable targets
- Exploration success would have a material impact on development scope

Potential Impact of exploration success on Dussafu

2016 Exploration drilling campaign example with one successful low case discovery

- Estimate of well cost circa \$25MM (gross) dry hole cost
- Ruche cluster economics NPV(10) currently around \$270MM, i.e. \$90MM net to PEN (at \$70/bbl oil price)
- A Dentale prospect has potential to add over 50MMbbls to existing development (conservative case)
 - Gross peak production would increase from 25,000 bb/d to over 50,000 bbl/d
 - Project economics significantly improved – benefitting from sunk costs and PSC cost recovery terms
 - Adding 50MMbbl could add >\$480MM NPV(10) to the project, i.e. \$160MM net to PEN (at \$70/bbl oil price)

Project	Total Reserves	Partners NPV 10 @ \$70/bbl	Net PEN NPV 10 @ \$70/bbl
Existing Ruche Area fields	~38	~US\$ 270 MM	~US\$ 90 MM
Ruche Area fields with 1 50MMbbl additional discovery added (low case)	~88	~US\$ 750 MM	~US\$ 250 MM

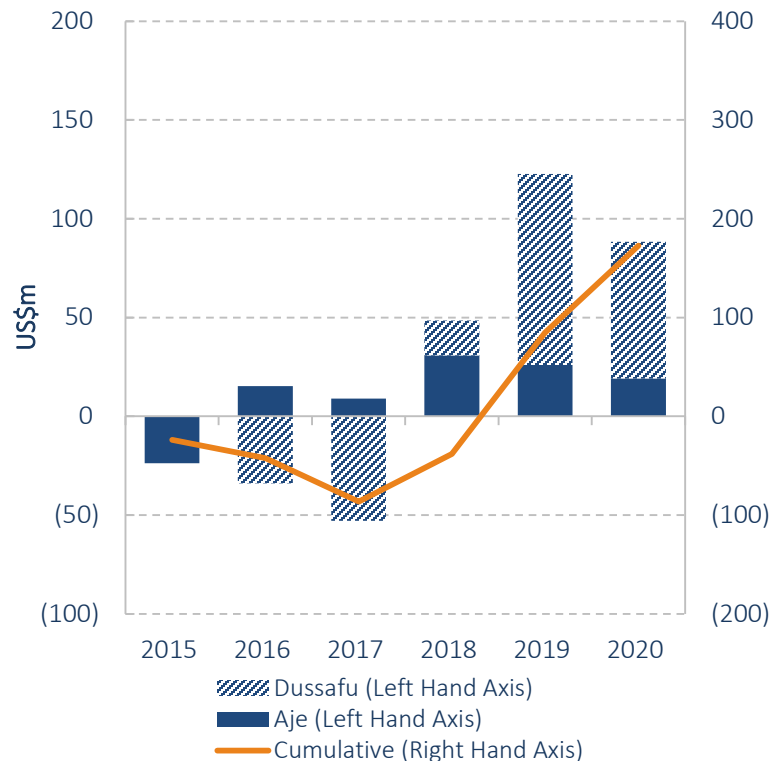


Dussafu & Aje Field Development: Cash Flows

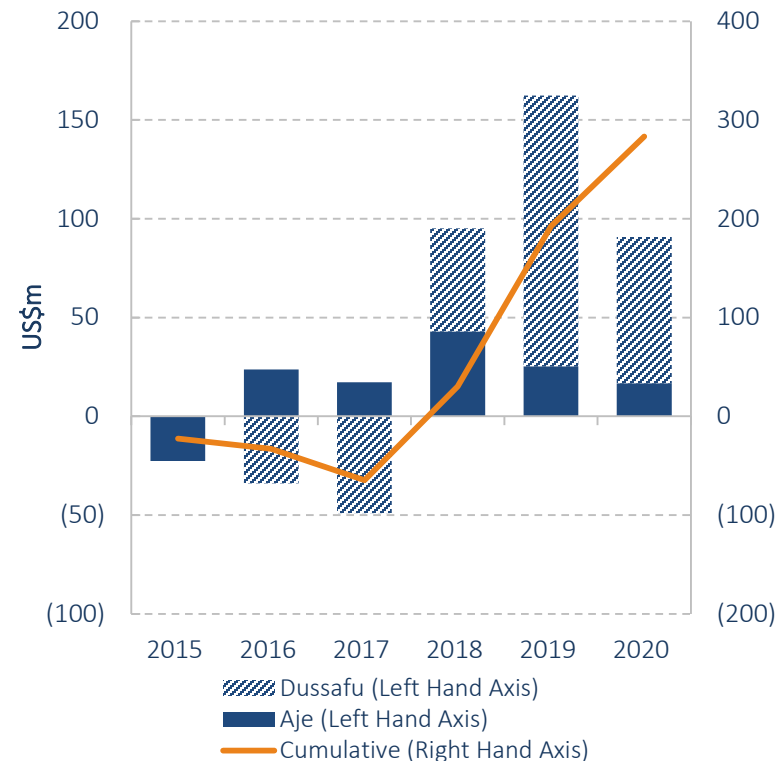
Project Net Cash Flows at \$70/Bbl and \$90/Bbl from Oil Development Projects

Based on Development of the Aje Cenomanian Oil and Indicative Dussafu Cluster Development FID in Q1 2016

JV Model Net Cash Flows
P50 cases at \$70/Bbl



JV Model Net Cash Flows
P50 cases at \$90/Bbl

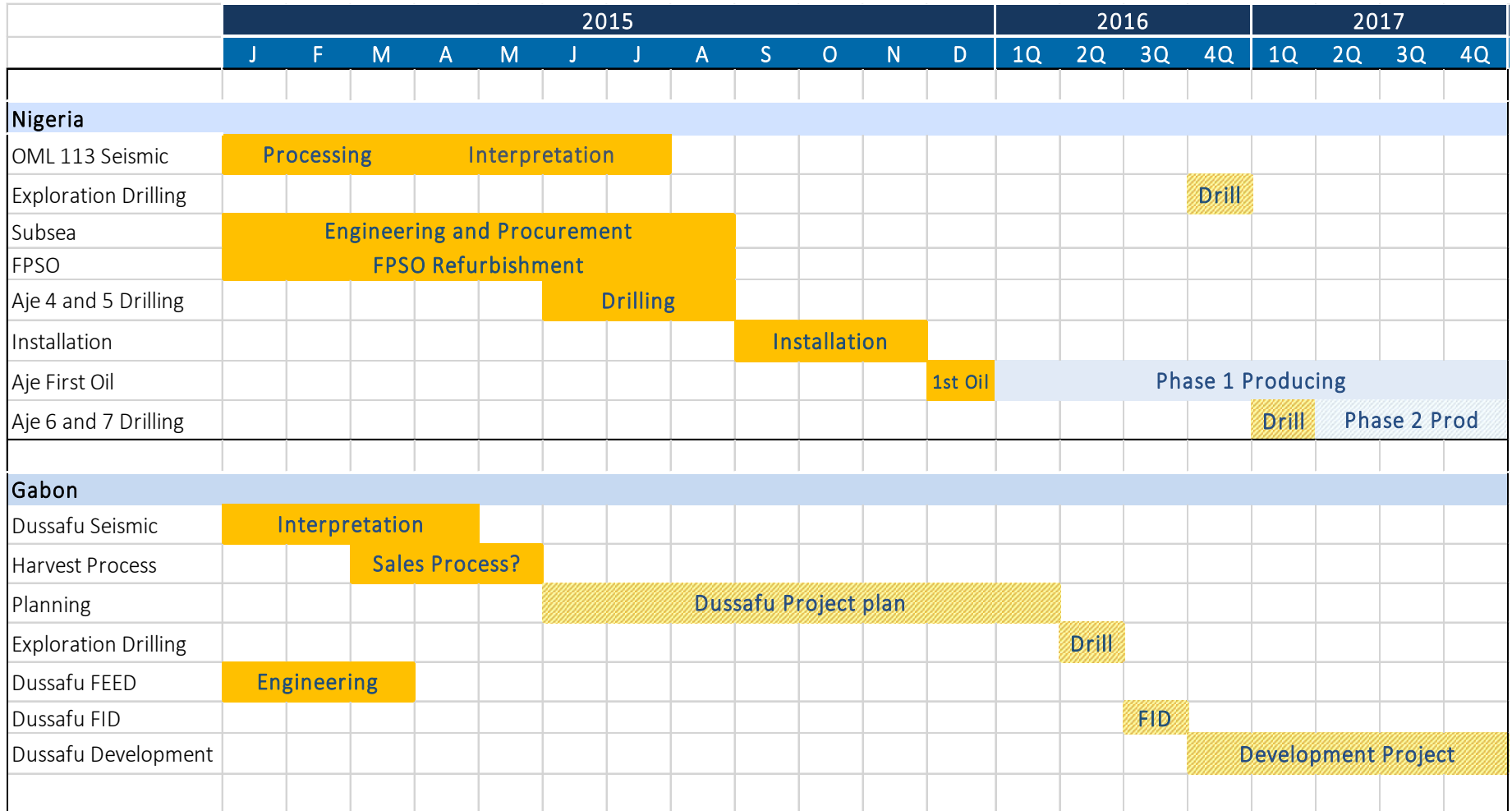


Source: OML 113 and Dussafu Joint Venture Financial Models

Panoro share of Rubicon FPSO cash backed guarantee to be paid in 2015 and released in 2018 (\$4MM net) not included in model

Dussafu cash flows should be treated as indicative due to uncertainty surrounding Harvest sale and change of Operator

Aje and Dussafu Project Timelines



 **Firm**

 **Possible (Uncertainty over Operator Sale Process)**

Outlook

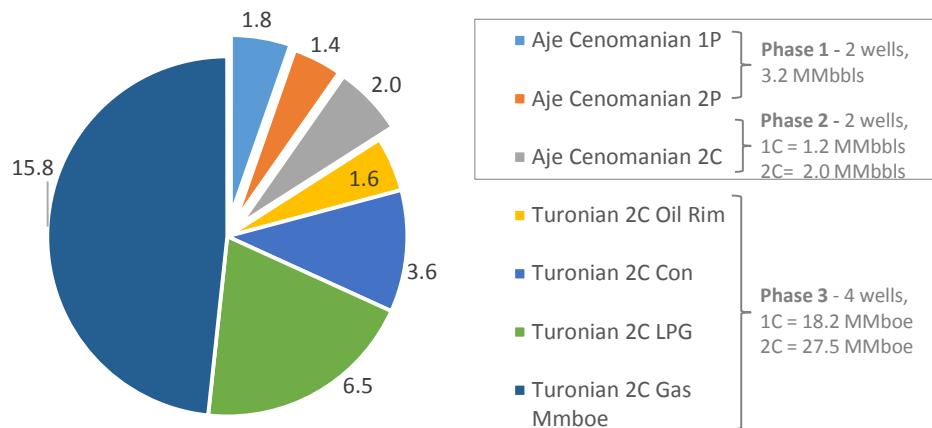
- Aje
 - Development remains on track with first oil targeted for December 2015
 - First Oil is fully funded from cash on hand. Financing will be considered as the development progresses
 - New OML113 processed seismic on schedule for early Q2 delivery
- Dussafu
 - Exciting near field prospectivity emerging from interpretation of new Seismic,
 - Announced process by Harvest may have an impact on the work program and development timing

Appendix

Panoro Reserves and Resources Snapshot

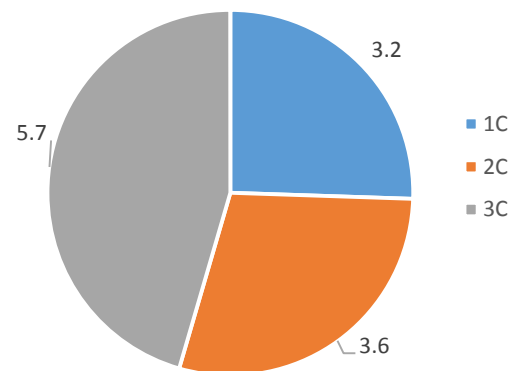
Aje Field ¹

Net Reserves and Resources, 32.7MMBOE



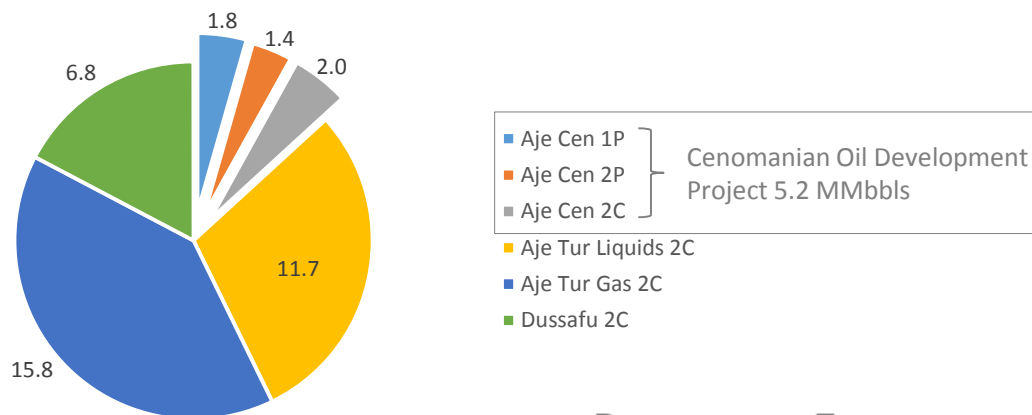
Dussafu ²

Net Contingent Resources, 3C 12.5 MMbbls, 2C 6.8 MMbbls



Aje and Dussafu Mid Case ^{1,2}

Reserves and Resources Barrels Net to Panoro, 39.5 MMBOE



Panoro Reserves/Resources (unrisked)	1P = 1.8 MMbbl
	2P = 3.2 MMbbl
	1P + 1C = 24.4 MMboe
	2P + 2C = 39.5 MMboe

¹ From TRACS AGR Competent Persons' report 25th July 2014

² GCA Contingent Resources Report 24th March 2014

Top 20 Shareholders (VPS per March 11, 2015)

Shareholding	%	Name	Account type
15,761,753	6.72	STOREBRAND VEKST JPMORGAN EUROPE LTD,	
11,100,000	4.73	KLP AKSJE NORGE VPF	
8,750,000	3.73	KOMMUNAL LANDSPENSJO	
7,105,803	3.03	UBS AG, LONDON BRANC A/C CLIENT IPB	NOM
6,021,301	2.57	Goldman Sachs Intern SECURITY CLIENT SEGR	NOM
5,976,648	2.55	VERDIPAPIRFONDET STO JPMORGAN EUROPE LTD,	
5,451,051	2.32	JP MORGAN CLEARING C A/C CUSTOMER SAFE KE	NOM
5,310,635	2.26	EUROCLEAR BANK S.A./ 25% CLIENTS	NOM
4,505,938	1.92	CITIBANK, N.A. S/A DFA-INTL SML CAP	NOM
4,022,869	1.72	MSCO Equity Firm Acc Morgan Stanley & Co.	
3,930,000	1.68	DnB NOR MARKETS, AKS	
3,732,000	1.59	ING BANK N.V - EQUIT	
3,613,960	1.54	MP PENSJON PK	
3,523,611	1.50	NORDNET BANK AB	NOM
3,100,000	1.32	GRØNLAND STEINAR	
2,661,000	1.13	KAMPEN INVEST AS	
2,000,000	0.85	PACTUM AS	
2,000,000	0.85	RAVI INVESTERING AS	
1,866,908	0.80	HMH INVEST AS	
1,750,000	0.75	HATLEVIK ANDREAS	
102,183,477	43.56		

Panoro Energy

ΠΑΝΟΡΟ ΕΝΕΡΓΕΙΑ
