

PANORO ENERGY PROVIDES UPDATE ON DRILLING OF AJE-5 PRODUCTION WELL IN NIGERIA

Wednesday, September 2, 2015 - Panoro Energy ASA (OSE ticker code: "PEN"), the independent E&P company with assets in Nigeria and Gabon, is pleased to provide an update on the drilling of the Aje-5 production well on the OML 113 license, offshore Nigeria.

The Aje-5 well has now reached targeted depth of 3,255 metres measured depth, having been drilled with the Saipem Scarabeo 3 semi-submersible drilling rig in 300 metres water depth. The well was drilled as a deviated well targeting close to the Aje-2 well subsurface location. Aje-2 was drilled in 1997 and encountered and tested a high quality oil-bearing Cenomanian reservoir. Drilling operations at Aje-5 have been completed ahead of schedule with no safety related incidents reported and the well is now being completed as a subsea oil production well.

The Aje-5 well intersected 72 metres (true vertical measurement) of gross hydrocarbon-bearing Turonian sandstone. The reservoir has been evaluated using data obtained from a limited suite of LWD logging tools including resistivity and gamma ray and 9 5/8" casing was set across this Turonian reservoir interval to isolate it. The LWD data is consistent with data from the Aje-1, Aje-2 and Aje-4 wells which all intersected a condensate-rich gas column with an underlying liquid oil rim of around 9 metres. Preliminary indications are that the net reservoir over this interval in Aje-5 is slightly better than had been seen in these previous wells. The Aje Joint Venture partners are continuing to evaluate opportunities to commercialise this significant hydrocarbon resource in the future.

The Aje-5 well subsequently resumed drilling to the target Cenomanian where the well encountered 19.4 metres (true vertical measurement) of gross oil-bearing reservoir. A fuller set of LWD tools including gamma ray, resistivity, neutron and density have been run which confirm the presence of oil consistent with pre-drill estimates. The rig has now set a 7" production liner and the Aje-5 is currently being completed as a Cenomanian production well. After these operations the rig will be moved to re-enter the existing Aje-4 well to complete it as a second Cenomanian production well. A further operational update will be provided at that time.

John Hamilton, Panoro Energy CEO commented, ***"We are pleased to see the excellent operational results to date in the drilling of the Aje-5 well and to report that the well has been efficiently drilled ahead of schedule by the operating team. The drilling of the 2 production wells are a significant part of the overall Aje development capex and we are very encouraged by the project execution so far. We look forward to reaching first oil in the coming months and establishing a renewed platform for 2016 and beyond."***

Aje is an offshore field located in the western part of Nigeria in the Dahomey Basin close to the border with Benin. The field is situated in water depths ranging from 100 to 1,000 metres about 24 km from the coast. Panoro Energy holds a 6.502% participating interest in OML 113 (with a 12.1913% revenue interest and 16.255% paying interest in the Aje Field). The Aje Field contains hydrocarbon resources in sandstone reservoirs in three main levels - a Turonian gas condensate reservoir, a Cenomanian oil reservoir and an Albian gas condensate reservoir. As previously disclosed, in July 2014 AGR TRACS International calculated the gross Cenomanian oil Proved plus Probable Reserves estimate associated the Aje-4 and Aje-5 wells, and the gross Contingent Resources estimate associated with the future drilling of Aje-6 and Aje-7 wells. At that time AGR TRACS International calculated these as 23.4MMbbl and 15.7MMbbl respectively (on a gross basis), indicating a mid case expected ultimate recovery of 39.1MMbbl from the Cenomanian Oil Reservoir once all four wells have been drilled. At that time, AGR TRACS International also calculated the Turonian gas and condensate/oil best estimate gross contingent resource as 163 MMboe. Panoro will in due course commission an update to these numbers to incorporate the new 3D seismic survey and the Aje-5 well data.

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About Panoro

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 exploration and development assets in West Africa, namely the Dussafu License offshore southern Gabon, and OML 113 offshore western Nigeria. Both assets have discoveries with approved Field Development Plans. In addition to discovered hydrocarbon resources and reserves, both assets also hold significant exploration potential. For more information visit the Company's website at www.panoroenergy.com.