

## **The Nomination Committee's recommendation to the Annual General Meeting in Panoro Energy ASA on June 20, 2013**

### **Mandate**

The Nomination Committee's mandate is set out in Panoro Energy ASA's ("PEN" or "the Company") Articles of Association § 8, as follows:

*"The Company shall have a Nomination Committee consisting of 2 to 3 members to be elected by the Annual General Meeting for a two year period. The majority of the Nomination Committee shall be independent of the Board of Directors and the day-to-day management. The Nomination Committee's duties are to propose to the General Meeting shareholder elected candidates for election to the Board of Directors, and to propose remuneration to the Board. The Annual General Meeting may adopt procedures for the Nomination Committee."*

The Nomination Committee currently has the following members:

- Endre Ording Sund (Chair)
- Petter Mannsverk Andresen

### **The work of the Nomination Committee**

The Nomination Committee has received request from shareholders to evaluate and possibly replace/ elect new members to the Board of Directors. The Nomination Committee has to date 2013 held several meetings where the Board's composition has been discussed and also carried out a Board of Director assessment. This includes meetings with the Chairman of the Board and the Chief Executive Officer. The Nomination Committee has furthermore been in contact with the Company's largest shareholders and anchored its nomination.

### **Members of the Board of Directors**

The Nomination Committee has received notification from the Chairman of the Board, *Dr. Phil A Vingoe* of his decision to resign from the Board, and the Nomination Committee proposes that the General Meeting appoints *Endre Ording Sund* as the new Chairman of the Board. Mr. Sund was elected Board member at the Extraordinary General Meeting November 9, 2012. Mr. Vingoe will be available as advisor to the Company for a period.

Furthermore, the Nomination Committee has received notification of resignation from the Board from *Isabel da Silva Ramos*, and the Nomination Committee recommends that the General Meeting appoints *Tone Kristin Omsted* for a period of two year to replace her.

If the General Meeting approves the recommendation, the Board of Panoro Energy ASA will consist of:

- Endre Ording Sund (Chairman)
- Dr. George Edward Watkins
- Silje Christine Augustson
- Tone Kristin Omsted

*Endre Ording Sund*, Chairman of the Board, is working as an independent advisor in the finance and E&P sector and has a wide spanning career over more than 35 years in the oil, energy and finance sector. This includes positions in Chevron Texaco and as CEO/Chairman (11 years) in the A Wilhelmsen Group and the listed Awilco Offshore/Shipping. He later joined SEB Enskilda ASA as a Director of Corporate Finance, being responsible for energy and shipping related business and thereafter as partner in Sector Asset Management. In 2002, he was instrumental in the establishment of the venture capital firm Energy Ventures and served as a chairman there for 5 years. He has also served on various

other boards, including Petroleum Geo Services (PGS), Kenor ASA, the Norwegian Shareholders Association, the Norwegian Shipowners Association and the Golar Nor group of companies. He has broad international Board experience as Chairman /Board member in various shipping, offshore, finance and E&P companies. His Board memberships today include Ferd AS, Canamens Limited, Vertech Offshore AS and Melberg Partners. Sund is educated from the Royal Naval Academy.

*Dr George Edward Watkins CBE*, non-executive Director holds a BSc in Mining, a PhD in Geophysics and an MSc in Management as well as an honorary degree of Doctor of Engineering DEng from Heriot Watt University. He has nearly 45 years' experience in the oil and gas industry. Dr Watkins began his career with Shell as a geophysicist in the Netherlands and Australia before moving to Conoco. He worked for Conoco for the next 30 years, starting as a geophysicist in the UK and then as Vice President Exploration and Production, North America. From 1993 until 2002 he was Chairman and Managing Director of Conoco UK Ltd. For the last 10 years, he has held a number of non-executive directorships at companies including Paladin Resources plc, Abbot Group plc, Production Services Network (PSN) Ltd and the Defence Procurement Agency. He is currently chairman of Petro Matad Limited, an AIM listed company operating in Mongolia, and a governor of the Robert Gordon University in Aberdeen. He was made CBE in 2000 for services to the UK oil and gas industry.

*Silje Christine Augustson*, non-executive director. Ms. Augustson has significant experience from the capital markets and the financial services industry mainly working out of London. Her experience spans from roles within equity sales and research in investment banking, to business development, strategy and investor capital fundraising in the alternative asset management industry. Since 2004, she has held several board directorships in the area of fund management participating in fund restructuring situations as well taking lead roles in activist investor campaigns. Ms. Augustson has held positions with JP Morgan, The Brunswick Group, Theorema Asset Management, Belay Asset Management and is currently consulting through Peak Alliance Group Limited, a firm she founded in 2005. She is on the board of the Storm Nordic Fund, the Storm Bond Fund and SurfSide Holding AS. She holds a Deug in Economics from the University of Toulouse UT1 (1996), and a Master in European Management/Diplome de Grande Ecole from ESCP-EAP (1999)

*Tone Kristin Omsted*, proposed non-executive Director. Tone K. Omsted has significant corporate finance experience after 14 years within Investment Banking in SEB Enskilda. She has been involved in a large number of IPOs, capital market and M&A transactions within several industries. She is currently working as an independent advisor in Entra Eiendom within Investment Management and Investor Relations. Tone holds a BA (Hons) degree in Finance from University of Strathclyde.

### **Members of the Nomination Committee**

The Nomination Committee recommends that the General Meeting appoints the following persons to the Nomination Committee:

*Odd Rune Heggheim*, proposed member of Nomination Committee. Mr. Odd Rune Heggheim (born 1964) has since 1996 been a portfolio manager and equity analyst in KLP Asset Management. Mr. Heggheim holds a Master's degree from the Norwegian School of Economics and Business Administration (NHH). Mr. Heggheim is independent of the Board of Directors and the day-to-day management.

*Bjørn Kristian Stadheim*, proposed member of Nomination Committee. Mr. Bjørn Kristian Stadheim (born 1983) is a private investor and owner of BKS Capital AS. Previous work experience includes bond trader and stock broker with various Norwegian financial institutions. Mr. Stadheim holds a degree in

Finance from Handelshøyskolen BI. Mr. Stadheim is independent of the Board of Directors and the day-to-day management.

If the General Meeting approves the recommendation, the Nomination Committee will consist of the above mentioned persons and Petter Mannsverk Andresen that was elected for a two period in the Annual General Meeting in 2012. Petter Mannsverk Andresen will Chair the Nomination Committee.

#### **Remuneration to the Board of Directors**

The Nomination Committee proposes that the general meeting fixes the remuneration to the Board of Directors for 2013 at the same level as the last two years.

The Nomination Committee recommends that the general meeting makes the following resolution:

*“The remuneration to the Board of Directors until the annual general meeting in 2014 (no later than 30 June 2014) is fixed to NOK 600,000 per annum to the Chairman of the Board and NOK 400,000 per annum to each Board member. The remuneration includes compensation to cover all Board committee work. The remuneration shall be paid quarterly during the year.”*

#### **Remuneration to the members of the Nomination Committee**

The Nomination Committee proposes that the general meeting fixes the remuneration to the members of the Nomination Committee for 2013.

The Nomination Committee recommends that the general meeting makes the following resolution:

*“The remuneration to the members of the Nomination Committee for 2013 is fixed to NOK 40,000 per annum to the Chairman of the Committee and NOK 30,000 per annum to each of the other members of the Committee. The remuneration shall be paid quarterly during the year.”*

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The Nomination Committee's recommendation is unanimous on all points.

Oslo, June 13, 2013

Endre Ording Sund  
(sign.)

Petter Mannsverk Andresen  
(sign.)