

October 5, 2006

# PANTHEON RESOURCES PLC

## Fourth Well Spuds on Project Wharton Targeting Caddo Prospect

- **Pantheon's fourth well on Project Wharton spudded on October 3**
- **Targeting the Caddo prospect with potential reserves estimated in a 0.895 to 2.76 billion cubic feet range**
- **Well projected to take less than one month to drill on trouble-free basis**
- **Pantheon is paying 25% of the drilling costs to earn an 18.75% working interest in Dakota**
- **Pantheon is conducting an aggressive exploration campaign on Padre Island (Plum Deep) and Project Wharton (Caddo and Mohawk)**

The Board of Pantheon Resources plc ("Pantheon") announces that it has been informed by the operator, Everest Resource Company ("Everest"), that the Caddo #1 well spudded on October 3, 2006. This well is located in Wharton County, south Texas.

The Caddo #1 well is testing an extensional prospect on the Matthews SE Field complex. It is targeting two anomalies on the east flank of SE Matthews Field, Thomas Field, and Lissie Field in the Frio and Yegua sections at 4,000 feet ("ft") and 7,125 ft respectively. The prospect being targeted by the Caddo #1 well is considered low risk with conservative total reserve potential of 0.895 billion cubic feet ("bcf") and high side total reserve potential of 2.76 bcf.

In addition to the Yegua and Frio anomalies, this well might encounter other pay zones in the Frio, Miocene, and Yegua sections. Non-anomaly associated pays in the Yegua, Miocene, and Frio increase the high side reserve potential. In the surrounding fields, the potential to stack productive reservoirs in multiple sections makes this an attractive place to drill.

The shallower Frio objective has a conservative reserve potential of 0.375 bcf and a high-side potential of 1.2 bcf. The deeper Yegua horizon has an estimated reserve potential of between 0.52 bcf (conservative) to 1.56 bcf (high-side). As the planned well depth is 7,500 ft, drilling time is scheduled to be less than one month.

Six additional prospects are located on the Caddo area of mutual interest ("AMI") which covers around 1,175 acres. The locations target comparable Yegua and Frio anomalies, but Miocene objectives are also present in all of them. Success in Caddo #1 would make these very attractive drilling targets. As these are not subject to the farm-in terms, they would have a higher value to Pantheon.

Caddo #1 is the third well to be drilled on Project Wharton, a farm-in concluded with Everest in June 2006. Pantheon is paying 25% of the drilling costs to earn an 18.75% working interest in Caddo. In the event of success, there is easy access to infrastructure.

Project Wharton provides Pantheon with low risk plays to balance the higher risk/reward plays at the PI Project Area. Overall exploration risk for the Project Wharton prospects is regarded as low, ranging from 50% to 80%. This compares with 15% to 36% for the deep JV of the PI Project Area.

*In accordance with the AIM Rules, the information in this report has been reviewed and signed off by Mr Robert Rosenthal, (BSc Geology, MSc Geology), Technical Director at Pantheon Resources Plc, who has over 30 years relevant experience within the sector.*

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