

October 17, 2006

PANTHEON RESOURCES PLC

Natural Gas Encountered at Caddo Prospect

The Board of Pantheon Resources plc (“Pantheon”) is pleased to announce that the Caddo #1 exploration well has encountered natural gas. The Caddo #1 well was drilled to test an extensional prospect on the Matthews SE Field complex. It was 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.

Electric logs analyses and formation tests have now confirmed the presence of some five to eight ft of net natural gas pay in the shallower objective. As a result of the positive log confirmation, the decision has been made to complete the well for production testing. The results of the production testing should be communicated in the coming weeks.

Caddo #1 was the fourth well to be drilled on Project Wharton, a farm-in concluded in June 2006. Pantheon is paying 25% of the drilling costs to earn an 18.75% working interest in Mohawk.

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.

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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