

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH IT WOULD BE UNLAWFUL TO DO SO.

FURTHER, THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND SHALL NOT CONSTITUTE AN OFFER TO SELL OR ISSUE OR THE SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE ANY NEW ORDINARY SHARES OF PANTHEON RESOURCES PLC IN ANY JURISDICTION IN WHICH ANY SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

Press release

10 October 2014

Pantheon Resources plc

Successful acquisition of key oil & gas leases

Pantheon Resources plc (“Pantheon” or “the Company”) is pleased to announce that, subsequent to and in connection with the Placing to raise gross proceeds of up to £18.5 million (US\$30.2 million) before expenses announced on 30 September 2014, the Joint Venture (“JV”) has successfully completed the acquisition of leases over 57,009 Net Mineral Acres in Polk and Tyler Counties, East Texas.

Highlights

- Acquisition by the JV of leases over 57,009 Net Mineral Acres in Polk and Tyler Counties (referred to as the ‘First Tranche Initial Leases’ and ‘Additional Leases’ in the announcement of 30 September 2014).
- This equates to an undivided interest for the JV in 20,576 acres (50% net to Pantheon) in three new project areas named Prospect A, Prospects B+C and Prospect D. In addition, Pantheon will have a 25% interest (with an option to acquire an additional 25% interest) in 36,433 acres in certain other leases.
- Pantheon has paid US\$15.5 million for its share of the acreage and certain associated back costs including seismic surveys, geological and geophysical interpretation and land work in Tyler and Polk counties.
- The estimated Prospective P₅₀ Resource (recoverable) net to Pantheon’s working interest upon completion of the proposed land acquisitions (inclusive of the additional 25% interest in its existing acreage) is 150.5 million barrels of oil equivalent.
- The successful acquisition of these leases is the culmination of a long and complex process. It is considered a transformational event in the Company’s history.
- The first well is proposed to be spudded late 4Q 2014 or 1Q 2015.

Background

As previously announced, the JV undertook an extensive three year regional geological study with the highly respected Bureau of Economic Geology at the University of Texas at Austin. This study, amongst other things, involved the comprehensive analysis of over 2,500 individual wells, 2,700 miles of seismic data (2D and 3D) and hundreds of well cores. The conclusion from that study was to enable the identification of the key ingredients believed to be required for the successful identification and exploitation of the Woodbine/Eagleford sandstone in East Texas.

Equipped with this knowledge, the JV was able to identify and map these geological features as being present in the existing JV acreage. Additionally, the JV identified other specific locations regionally, believed also to possess these essential geological characteristics. The lease acquisitions announced today relate to key prospective acreage in those identified locations. Given the competitive nature of land acquisition regionally it required the JV operator to maintain a low profile whilst these land acquisitions were negotiated and completed, over an extended period.

Proposed Activity

The primary objective of the JV is to seek to identify and commercially exploit the Woodbine/Eagleford sandstone in the region. The analogue field, the Double A Wells field in East Texas, is located in close proximity to much of the JV acreage and has produced over 20 million barrels of oil and 415 bcf of natural gas to date (estimated at US\$3.5 to US\$4 billion revenue using the Company's pricing assumptions) from a footprint of circa 4,000 acres. The JV believes it has identified a number of prospects on both the existing acreage and on the new acreage areas with very similar geological signatures and resource potential to the prolific Double A Wells field.

The first well to be drilled in the programme will test the Woodbine/Eagleford sandstone as the primary objective. This is a liquids rich conventional target, which will be drilled vertically without the need for artificial stimulation. The chance of success of this well is materially increased by its location in that it offsets an existing producing well that has produced over US\$30 million revenue to date from the Woodbine/Eagleford sandstone. This first well also has potential for the shallower Austin Chalk formation as a secondary target, providing valuable downside protection should the primary target be unsuccessful. The Austin Chalk is proven to exist on the JV acreage and is considered low geological risk, with neighbouring companies enjoying high success rates. The Austin Chalk is a natural gas rich formation and is completely independent from the more liquids rich Woodbine/Eagleford sandstone. This first well is proposed to be spudded late 4Q 2014 or 1Q 2015, subject to the JV securing a suitable drilling rig, and is considered low to moderate risk.

The second proposed obligation well of the JV is planned on acreage acquired as part of the transaction announced today and will target the Woodbine/Eagleford sandstone. This prospect has been identified with 3D seismic information and appears geologically very similar to the Double A Wells field wells. It is presently estimated that this well will be spudded in 1H 2015. Completion of the drilling programme is subject to completion of the Conditional Placing, as announced on 30 September 2014. A General Meeting of the Company is being held on 16 October 2014 to approve the Conditional Placing. Further details of the General Meeting are available in the Company's announcement dated 30 September 2014.

In the event of success, these prospects are ideally located, onshore East Texas, with abundant infrastructure and can be on production and generating revenues within one to two months of completion. Moreover, the nature of these targets is such that they offer the potential for very early payback, offering the opportunity for field development without the requirement for material additional external capital.

Future

This acquisition of these leases was the culmination of an extended period of analysis, prospect identification and commercial negotiation. During this period, by necessity there was minimal operational (drilling) activity on the acreage. Now that these land acquisitions are complete it is the expectation that the Company will enter a period of increased operational activity, with preparations for drilling to commence in the near term.

Jay Cheatham, CEO of Pantheon, stated, *"Today's announcement marks a major milestone in Pantheon's history and is a result of the incredible work done by the JV and its partners in what is the most comprehensive regional study I have ever been associated with. The result, I am delighted to report, is a significant and material working interest for Pantheon in what the Board believes is a truly world class project, and one of the most exciting plays that I have been associated with in my long career."*

Further information:

Pantheon Resources plc +44 20 7484 5359
Jay Cheatham, CEO
Justin Hondris, Director, Finance and Corporate Development

Oriel Securities Limited (Nominated Adviser and broker) +44 20 7710 7600
Michael Shaw
Ashton Clanfield

For further information on Pantheon Resources plc, see the website at: www.pantheonresources.com

Save where the context requires otherwise, capitalised and technical terms used in this announcement shall have the same meaning as ascribed to them in the Company's announcement on 30 September 2014.

In accordance with the AIM Rules - Note for Mining and Oil & Gas Companies – June 2009, the information contained in this announcement has been reviewed and signed off by Jay Cheatham, a qualified Chemical & Petroleum Engineer, who has over 40 years' relevant experience within the sector. The technical disclosure in this announcement complies with the SPE/WPC standard.

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

This announcement contains forward-looking statements. These statements relate to the Company's future prospects, developments and business strategies. Forward-looking statements are identified by their use of terms and phrases such as "potential", "estimate", "expect", "may", "will" or the negative of those, variations or comparable expressions, including references to assumptions. The forward-looking statements in this announcement are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. These forward-looking statements speak only as at the date of this announcement. No statement in this announcement is intended to constitute a profit forecast or profit estimate for any period. Neither the Directors nor the Group undertake any obligation to update forward-looking statements other than as required by the AIM Rules or by any other applicable law or regulation, whether as a result of new information, future events or otherwise.

This announcement does not constitute, or form part of, a prospectus relating to Pantheon Resources plc, nor does it constitute or contain any invitation or offer to any person, or any public offer, to subscribe for, purchase or otherwise acquire any shares in the Company or advise persons to do so in any jurisdiction, nor shall it, or any part of it form the basis of or be relied on in connection with any contract or as an inducement to enter into any contract or commitment with the Company.

The content of this announcement has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 ("FSMA") and the securities mentioned herein have not been, and will not be, registered with the Australian Securities and Investments Commission or registered with the Registrar of Companies in Hong Kong under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) ("HK Companies Ordinance").

This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any jurisdiction where to do so might constitute a violation of local securities laws or regulations (a "Prohibited Jurisdiction"). This announcement and the information contained herein are not for release, publication or distribution, directly or indirectly, to persons in a Prohibited Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction. This announcement has been issued by and is the sole responsibility of the Company.

Oriel Securities Limited is acting solely as Nominated Adviser and Broker exclusively for the Company and no one else in connection with the contents of this announcement and will not regard any other person (whether or not a recipient of this announcement) as its client in relation to the contents of this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on Oriel Securities Limited by FSMA or the regulatory regime established thereunder, Oriel Securities Limited accepts no responsibility whatsoever, and makes no representation or warranty, express or implied, for the contents of this announcement including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on behalf of it, the Company or any other person, in connection with the Company and the contents of this announcement and nothing in this announcement shall be relied upon as a promise or representation in this respect, whether as to the

past or the future. Oriel Securities Limited accordingly disclaims all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of the contents of this announcement or any such statement.