



PANTHEON  
RESOURCES PLC

*AGM Presentation*

*9 February 2007*

# Overview

- Principal asset is a c. 25% working interest in the Padre Island Joint Venture
- Targets are large, high-quality natural gas prospects, in what the directors consider to be an under-explored deep section of the Gulf of Mexico
- Targets have been identified ranging in size up to 337 bcf\*
- Active drilling program commenced August 2006
- Separately farmed into lower risk, shallow natural gas play in onshore Texas; “Project Wharton”

\*This range is based on studies conducted on the acreage by Golden Gate and Pantheon’s Independent Technical Adviser

# Highlights

## *Two Key events...*

### 1. Padre Island Joint Venture

- Plum Deep spudded 1 August, 2006
- Deemed non-commercial in January 2007

### 2. Project Wharton

- Farmed into new project “Wharton”, Onshore Texas
- Five shallow wells drilled, three discoveries made
- Two fields producing natural gas. Third awaiting start-up
- Opportunity to farm into additional individual prospects

# Padre Island Joint Venture-Plum Deep

- Spudded 1 August, 2006
- Deeper zones declared non-commercial on 10 January, 2007
- This followed extensive testing and sampling
- Seal failure along fault - most likely cause of failure in deep section
- Shallower zone remains to be tested, subject to ongoing analysis of new data
- Indications of natural gas bearing zone recorded over approx. interval of 25 feet
- Side tracking and extensive testing programme contributed to well costs exceeding budget
- Total cost (including side track and testing) approx. £0.19 per ordinary share
- All information collected on well currently being evaluated

# Padre Island Location

- Padre Island is located in the Gulf of Mexico just off the coast of South Texas
- The PI Project covers an area approx 100km long and 12km wide
- Drilling leases cover around 10,700 hectares
- Padre Island is a proven hydrocarbon area
- Historically, drilling at Padre has been to shallower depths where substantial volumes of natural gas have been found and produced

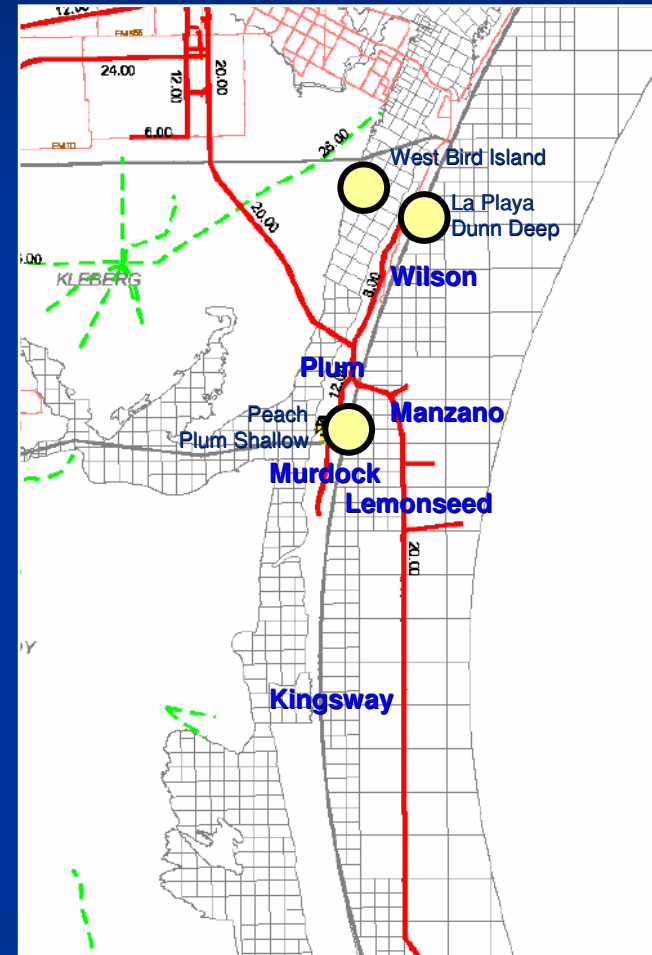


# Key Features

- Under-explored relative to other parts of the Gulf of Mexico due to:
  - Limitations imposed by lack of 3D seismic
  - A depressed US natural gas market
  - Numerous change of Operator resulting from corporate activity resulted in inactivity
- 3D seismic has allowed the imaging of deeper larger targets analogous to areas of exploration success in the Central GoM
- Drilling on other deep targets in the PI Project area has proven a working gas system exists
- Natural gas discoveries have been made in the region by ExxonMobil and Spinnaker west and east of the PI project area
- The deep section PI Project offers a deep shelf offshore natural gas play with onshore drilling/development costs

# Infrastructure Available

- Some 25 fields have been developed in and adjacent to the PI Project area, and have produced some 1.7 tcf (cumulative) of natural gas
- Padre Island contains a network of common carrier pipelines
- Spare capacity in the Houston Pipeline is estimated at around 120 mmcf
- This, and pipeline proximity, should allow new gas discoveries to be connected and brought on stream rapidly

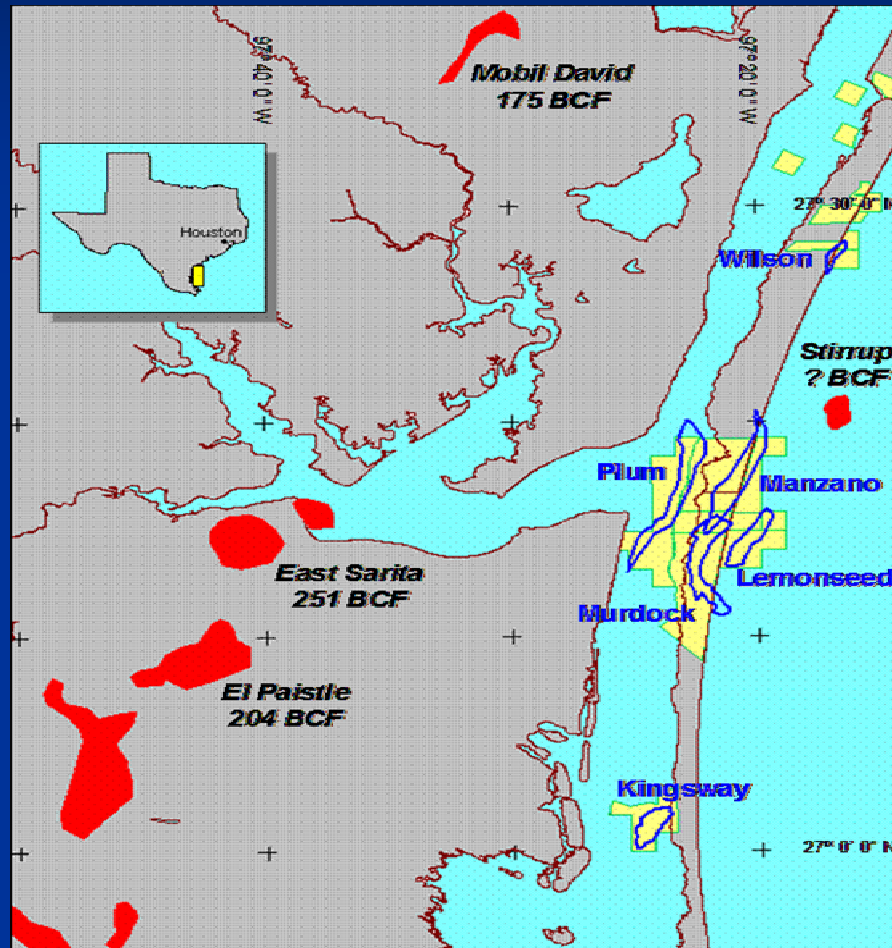


# Padre Island Joint Venture Participating Interests

	Working Interest	Paying Interest*
<b>Prospects</b>		
Murdock South	25%	33.3%
Manzano Deep	25%	33.3%
Kingsway	25%	33.3%
Wilson	27.6%**	34.3%
Lemonseed (deep)	25%	33.3%
<p>*Promoted terms only paid until casing point  ** Subject to contract execution</p>		



# Prospect Inventory



# Padre Island Joint Venture Drilling Programme

Prospect	P50 Potential Reserve Size (Gross)*	Current Planned Start Date
Wilson	9-21**	Spudded February, 2007
Manzano	178-337	First half 2007
Murdock South	94-232	Second half 2007
Kingsway	21	tba
Lemonseed	67	tba

\*This range is based on estimates on the acreage published by Golden Gate and studies by Pantheon's Independent Technical Adviser

\*\* 21bcf extracted from Golden Gate "Wilson" announcement dated 8 February 2007

\*\*\* For Kingsway and Lemonseed only the competent persons estimates were used due to the absence of *published* estimates by Golden Gate.

# Padre Island Joint Venture-Wilson

- Spudded February, 2007
- Faulted three-way closure very similar to analogs discovered by BNP and Novus only 3 miles to NE
- Main structural risk is northern extent of eastern trapping fault
- If Wilson is successful then there appears to be another untested trap to west
- This might be tested from same surface location
- Seismic data quality good
- Potential reserve range\* (P50): 9-21\*\* bcf

\*This range is based on estimates on the acreage published by Golden Gate and studies by Pantheon's Independent Technical Adviser

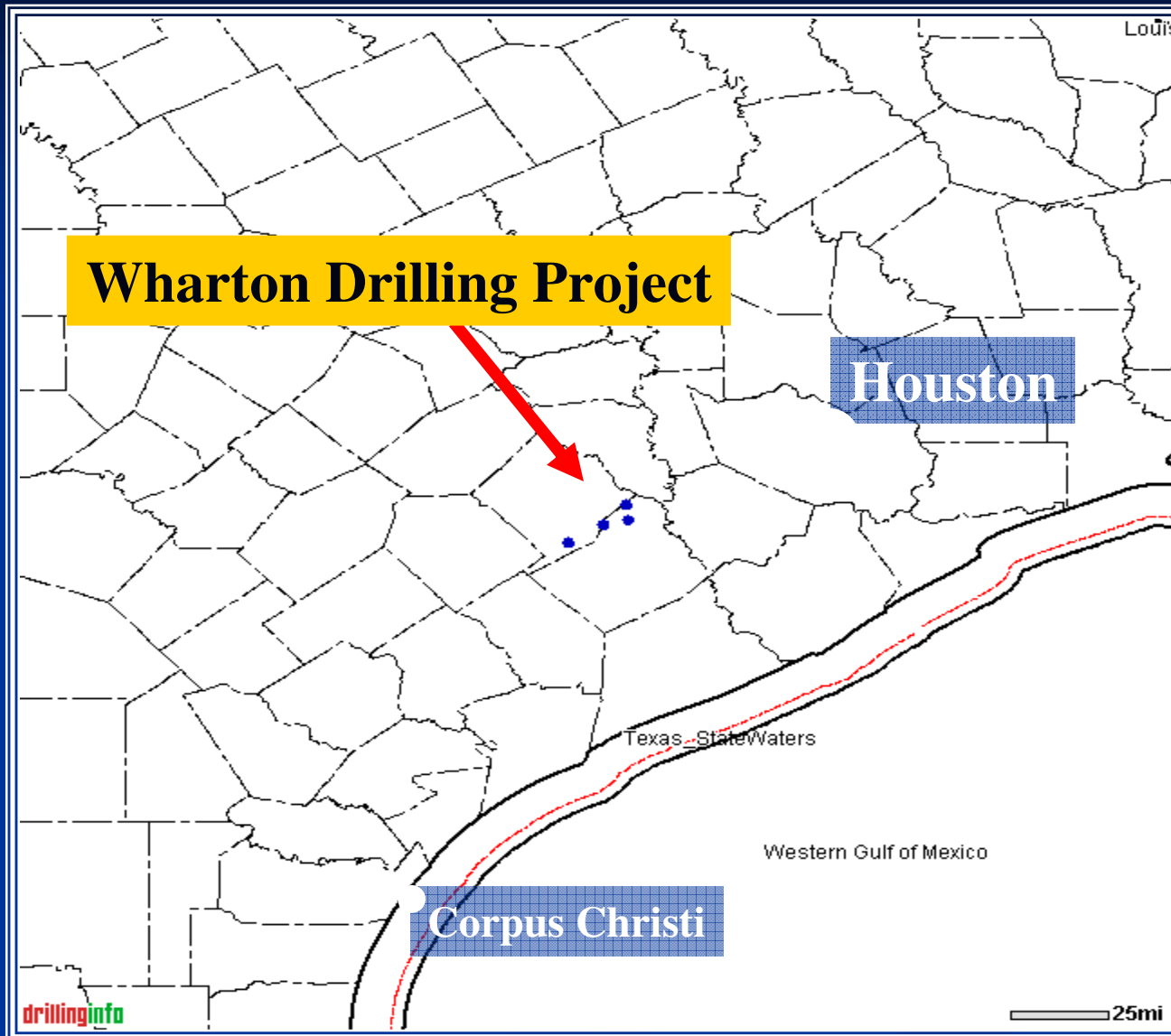
\*\* 21bcf extracted from Golden Gate "Wilson" announcement dated 8 February 2007

# Project Wharton

- Pantheon farmed-into a natural gas exploration venture in Wharton County, south Texas in June 2006
- Rationale to balance portfolio with low risk/reward plays. Early cash flow potential
- Operated by the Everest Resource Company which has a long successful history operating in the Texas Gulf Coast area
- Pantheon has paid;
  - 25% of the drilling costs to earn 18.75% working interest in the Caddo, Dakota, Kant and Mohawk prospects
  - 12.5% to earn 9.375% interest in the Zebu prospect
- Prospects are individually small with gross reserves estimates per well ranging from 0.5 to 4.0 billion cubic feet (“bcf”)
- Exploration risk is regarded as low, ranging from 50% to 80%

# Project Wharton

- Three discoveries from five wells drilled
- Zebu on-stream since end September 2006
- Mohawk onstream since 1 December 2006
- Caddo completed and awaiting production start-up
- Baptist scheduled to be drilled in first quarter 2007
- Successful completed total cost outlay was estimated at around US\$650,000 for four wells
- Another 13 prospects that may be pursued which are not subject to the farm-in terms
- Net additional reserves expectation from these other prospects ranges from 1.5 to 6.0 billion cubic feet with a most likely estimate of 4.0 billion cubic feet\*



## Project Wharton – Pantheon Interests

Prospect	Pantheon WI (%)	Drilling Status	Comments
Zebu	9.375	Onstream	Producing 200 mcf/d gross
Dakota	18.75	Non-commercial	7 other prospects on AMI
Caddo	18.75	Discovery	6 other prospects on AMI
Mohawk	18.75	Onstream	Producing 120 mcf/d gross 1 other prospect on AMI
Baptist	11.50	TBD	Drilling scheduled for 1Q 2007
Kant	18.75	Non-commercial	-

# Corporate Strategy

- Pantheon's strategy is to focus on hydrocarbon exploration and production onshore or near shore the Gulf of Mexico ("GoM") or onshore USA
- Pantheon has no intention of being an Operator at this stage
- Corporate overhead costs are being kept intentionally low to maximise leverage to shareholders in the event of drilling success



# Capital Structure

## ■ Ordinary Shares

- Number in issue - 15,552,329
- Price per share -£0.66
- Market Capitalisation - £10.26m

## ■ Options (Apr 2011)

Exercise Price (£)	Quantity
1.00	483,284
1.25	250,000
1.50	650,000
2.00	650,000

# Summary

- High-impact deep gas prospect portfolio (Padre Island) coupled with lower risk, low impact shallow portfolio (Project Wharton)
- Situated in proven hydrocarbon province (GoM)
- High quality prospects covered by 3D seismic, ready for drilling
- Drilling rig contracted
- Abundant infrastructure with surplus capacity nearby, this should allow new discoveries to come online quickly
- Long term involvement in project area by Pantheon's Technical Director

# Other PI Project Prospects

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# Manzano

- Uplifted three-way fault closure
- Separated from Plum Deep by an eastern trapping fault
- North Murdock Pass field directly overlies Manzano
- Trap and charge risk very low
- Potential reserve range (P50): 178-337 bcf

# Murdock

- Upthrown three way fault closure
- Located in a position more favourable for sand but targets are deeper
- Moderate trap risk exists to N and SE (SE risk is limited to upside cases)
- Regional work by Novus suggested that the PI Fault merges with another large growth fault further offshore
- May indicate that, with increasing depth, this complex may seal to provide a significant upside case
- Trap is structurally more complicated than for other prospects, but its existence is not in doubt
- Prospect was partially drilled in 2002, but only the top 1000 feet of section out of a possible 4000 feet was tested
- Potential reserve range (P50): 94 - 232 bcf

# Lemonseed

- Upthrown three-way fault developed in hanging wall of the Padre island Fault
- Trap may be mapped with high degree of confidence
- Structural setting analogous to Spinnaker's 2001 Stirrup discovery some 8 miles to NE
- Expected that sands will thicken into fault
- Less than two miles from shore
- Potential reserve range (P50): 67 bcf

# Kingsway

- Subtle four way dip closure in small fault block terrace
- Possible there might be numerous pays in Kingsway not present in faulted three-way structures elsewhere
- Numerous wells penetrate Upper Frio in the area
- Potential reserve range (P50): 21 bcf

# Management Team - Executive

## ■ Sue Graham: Executive Chairman

- She has over 30 years in the oil and gas sector. She joined Merrill Lynch in 1986 and was Global Head of Energy Team until her early retirement in 2003
- During her 27 year City career, she gained extensive experience in both primary and secondary equity markets on a global basis. This included lead roles in the privatisations of British Gas, Britoil, CNOOC, Elf Aquitaine, ENI, MOL, Norsk Hydro, OMV, Petrobras, Repsol, Total and YPF. She was also involved in M&A activity including Total's mergers with PetroFina and Elf
- She has an M.A. in Chemistry from Lady Margaret Hall, Oxford and an MSc in Forensic Archaeological Science from University College London. She is a Member of the Securities Institute and the National Association of Petroleum Investment Analysts

## ■ Robert Rosenthal: Technical Director

- Helped conceive the PI Project and has a 0.68% overriding royalty over the leases.
- An exploration geologist with over 30 years of experience. Bob is a citizen of the USA and completed both his BS Geology (1974), and his MSc Geology(1977) at the University of Southern California
- Beginning his career with Exxon USA, he spent 15 years with BP attaining the position of Global Consultant for Exploration (World Wide) reporting directly to the Chief Geologist and General Manager for global exploration
- He is currently a director of Tomahawk Oil and Gas (ASX)



# Management Team – Non-Executive

- Justin Hondris: Non-Executive Director
  - He is a director of several public and private companies in both the UK and abroad. He is also a Partner of Titan Bioventures Management, an investment manager of listed private equity capital
  - He previously qualified as a Chartered Accountant (no longer an active member), an Associate of the Securities Institute of Australia, and has completed Level 1 of the CFA Institutes' CFA program
  - He previously spent 4.5 years at Cazenove & Co. in London, and before that Hartley Poynton Ltd, an Australian based Investment bank with a strong presence in the junior resources sector
  
- Andrew Waller: Non-Executive Director
  - He has extensive public company experience spanning various sectors and currently serves as a director of several public companies in the resources sector