

**Press release**

**Date: 4 December 2009**

### **Pantheon-Resources - A.G.M. Statement**

At the Annual General Meeting of Pantheon Resources plc ("Pantheon" or the "Company"), to be held at 9.30 a.m. today at the offices of Sprecher Grier Halberstam LLP, 5th Floor, One America Square, Crosswall, London EC3N 2SG, Sue Graham, non-executive Chairman of the Company, will make the following statement:

"Since the last Annual General Meeting held in December 2008, the drilling of the first well on Pantheon's Tyler County, East Texas acreage has dominated the Company's activities. This well, Vision Rice University #1, was a success, despite the mechanical difficulties encountered. Not only does Pantheon believe a field has been discovered in the Austin Chalk which offers material value to shareholders, but also the operator, Vision Resources LLC ("Vision"), now considers the Tyler County Austin Chalk proven as a development play.

The well, Vision Rice University #1 well confirmed the existence of the main Austin Chalk target and also the petroleum system. Effectively it provided geological evidence that the Brookeland field, already established in adjacent acreage to the north, extended onto Pantheon's JV acreage. There is now the prospect of up to 50 wells being drilled to exploit these 30,000 acres.

The reasons behind the mechanical difficulties encountered have been detailed previously, namely high reservoir pressures and the presence of a rubble zone. However these attributes have also led to increased management confidence in the project.

Specifically the Tyler County project is now expected to deliver production rates in the upper tier of Austin Chalk producers. Further Pantheon's technical consultant has increased his estimates of potential gross reserves per well by 60% from five bcfe to eight bcfe. There is also potential for future cost savings as fewer wells need to be drilled. This means that there is an increased reserve potential for a lower overall capital outlay. These factors obviously should have a beneficial impact on the project's economics.

The second well is now expected to commence drilling in early 2010. Once again the main objective will be the Austin Chalk and the location has been chosen to test a high potential target.

However a secondary target, the Woodbine, will also be investigated. The Woodbine formed part of Pantheon's original farm in of May 2008. It is an independent and totally separate play from Pantheon's Austin Chalk project and is located approximately 500 feet below the Chalk.

The location of the next well will be close to an existing pre-farm in well currently producing from the Woodbine on Pantheon's JV acreage. Data from this well, together with additional seismic mapping, led to the operator identifying a high potential Woodbine target. Opportunely the Company will be able to test both formations from one location at a modest incremental net cost of some US\$0.25 million.

To cope with the high pressure/rubble zone conditions encountered in the Vision Rice University #1 well, the drilling plan for future wells has been re-engineered. The next well will be drilled using a larger rig and casing programme. This revised plan should avoid recurrence of Vision Rice University #1's mechanical difficulties.

The Tyler County project is significant as it relates to corporate strategy. It was the first transaction of Pantheon's Chief Executive Officer, Jay Cheatham, after his appointment in January 2008. It marked his decision to refocus the Company towards projects with large development possibilities and away from higher risk single-well prospects. It also reflected not only his knowledge of the region but also his relationship with the operator which was the key to gaining access to the acreage.

Elsewhere three wells were drilled or re-entered at Bullseye. Two, Jumonville #1 and #2, were confirmed as Miogyp producers and brought on-stream during the financial year. Another delineation well, Acosta #1, did not provide an adequate test and was converted for use as a water disposal well. A further four locations have been identified at Bullseye for potential delineation of the Miogyp. The Camerina zone still provides potential for further upside across the Bullseye prospect.

At the end of the financial year, Pantheon is involved in a project, Tyler County, which has the scale to transform the Company's asset base. Drilling of the second well is awaited eagerly by management, especially as it will be testing two, independent, high potential targets. Success at this well should usher in a period of intense activity for the Company as it moves from an exploration to development phase. Further, the Company is currently investigating all options for financing its participation in the planned drilling programme.

The Board believes that Pantheon has a future of enormous potential which remains insufficiently understood. One of the challenges facing the Company and its management is communicating the plans to unlock the major value already created. I believe that I may ask you to join me in looking to our Company's future with some optimism. I look forward to continue to reporting to you of Pantheon's progress over the year ahead."

Pantheon's latest investor update will be presented at the A.G.M. This contains new information. This relates to management estimates of the illustrative value of and cash flows relating to the Company's Tyler County assets. This investor update will be available on the Company's website at [www.pantheonresources.com](http://www.pantheonresources.com) in addition to further material on the Company.

**Further information:**

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