

Press release

14th December 2012

AGM Statement

At the Annual General Meeting of Pantheon Resources plc (“Pantheon” or the “Company”) to be held at 10.00 a.m. today at the offices of SGH Martineau LLP, One America Square, Crosswall, London EC3N 2SG, Sue Graham, non-executive Chairman of the Company, will make a statement, which follows later. Mr Jay Cheatham, Chief Executive Officer (“CEO”) of Pantheon together with Mr Bobby Gray, Managing Director of Vision Gas Resources LLC (“Vision” or “the operator”), will also make a presentation to shareholders and will also answer questions. Copies of the presentation will be available shortly on the Company’s website.

A year ago Pantheon reported an exciting new development as related to its Tyler County Joint Venture (“JV”). This was the emergence of the Woodbine as an exploration play of significant potential in addition to the Austin Chalk. The analysis at that time was based only on the first year of a major geological analysis of the entire Tyler County acreage as well as an extensive regional study.

Over the 12 months since the last Annual General Meeting, this comprehensive study has been completed and subject to a thorough interpretation. This second phase focussed on developing further the JV’s geological understanding of the conventional sandstone plays of the Woodbine/Eagleford. Pantheon’s CEO, Jay Cheatham, has been an integral part of the process in scrutinising and assessing the results of the analyses that have been performed.

The conclusions from the more recent investigations have only added to the JV’s enthusiasm for the potential of Tyler County. The work of the past year has served to lower further the risk associated with the project. It has also resulted in improving the outlook for the reserve potential of the Woodbine prospect both in terms of size and ultimate recovery. The JV now believes that the Tyler County acreage may have the potential to contain a similar size field to the Double A Wells field located some six miles from the proposed Kara Farms #1H (“KF#1H”) well. The Double A Wells field has been estimated to have produced to date around 90 million barrels of oil equivalent.

It is possible that the recent research may have even more far-reaching implications. This arises from the JV’s ability now to image and thus identify the higher-quality conventional Woodbine/Eagleford sandstones.

Although the JV may be commended for the technical advances and potential value-creation over the past 12 months, it should be acknowledged that investor anxiety persists about the lack of drilling activity. With the majority of the JV represented by private companies there have been two main factors at work. First their focus has been on maximising realisations, cash flows and profits. The view opined by the operator, Vision, was that natural gas prices would fall further as a result of cyclical over-investment by the industry. The corollary was that a price decline would lead ultimately to a substantial decline in rig costs.

The start of 2012 continued to witness the decline of US natural gas prices with the nadir being reached in April. This has led subsequently to major asset write-downs by many companies and an accompanying pull back from exploration/development drilling. This retreat from drilling has

indeed led to the forecast of a decline in costs. However material rig cost reductions have not been perceptible until recent months. The trend is continuing.

Although the operator was correct in its assessment of the industrial outlook, it does highlight the timescales involved in the exploration industry where there may be considerable lags. Investors should be reminded that the focus on the natural gas market does not reflect the potential of the KF#1H well. It is merely a result of the competition that has occurred for high pressure rigs that may be used either for solely natural gas targets or prospects such as KF#1H which have a high liquids component. However, the recovery in natural gas prices does benefit the Austin Chalk project which is projected to be cash positive at current commodity prices.

The second main factor contributing to the delay has been the execution of the farm-out which was referred to at last year's AGM. These discussions have also been prolonged due to the changing and enhanced geological model against which they have been conducted. Further Vision continues to be assiduous in its selection of a potential farm-in partner to ensure that its aims and objectives are aligned with those of the JV.

Vision's end 2012 target for the commencement of drilling the KF#1H well is now unlikely to be met as Pantheon indicated might be the case at the time of the release of the full-year results for 2012. The current intention is that drilling is targeted so that the KF#1H well would be on production in summer 2013 assuming a successful outcome.

In concluding these remarks the Board wishes to re-iterate its comments made in the 2012 Annual Report and Accounts. Pantheon is focussing its attention entirely on the Tyler County JV and believes that its current market valuation is underpinned by the potential of the Austin Chalk alone. Separately the JV believes that it has established a world-class opportunity in the conventional Woodbine/Eagleford sandstone play set to be tested by the KF#1H well in 2013. This makes for the possibility of exceptional value creation potential for the Company and its shareholders. The Board believes that, in retrospect, 2012 may be remembered as a year of great achievement for Pantheon.

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

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In accordance with the AIM Rules, the information in this announcement has been reviewed and signed off by Jay Cheatham, who has over 30 years' relevant experience within the sector.

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.