

25 April 2016

Pantheon Resources plc

Operational update

Pantheon Resources plc ("Pantheon" or "the Company"), the AIM-quoted oil and gas exploration and production company with a 50% working interest in several projects in Tyler and Polk Counties, East Texas, is pleased to announce the following operational update:

Drilling rig contracted for three well programme

The Directors are pleased to announce that the operator Vision Operating Company LLC, (the "operator"), has formally contracted the Nabors Rig F-12 for the drilling of three consecutive wells in its upcoming drilling programme. The first two wells will be horizontal development wells stepping out from the recent VOBM#1 discovery well in Polk County, and the third well in the programme will be a step out appraisal well, also drilled horizontally, approximately five miles west of the recent VOS#1 discovery well in Tyler County. Preparations for drilling operations will commence as soon as weather conditions permit. Inclement weather has delayed the immediate mobilisation of the rig, but assuming conditions improve, mid-May 2016 is considered a reasonable target for spudding of the first well.

Update on VOS#1 well, Tyler County, onshore East Texas

Preparations are well advanced for the planned fracture stimulation procedure at VOS#1, intended to be completed in conjunction with the upcoming drilling programme. As previously reported, VOS#1 encountered 270ft of hydrocarbon bearing sandstone of which 107ft were perforated and flow tested at over 750 boepd on a 12/64 choke after initially producing at considerably higher rates. Diagnostics indicated a restricted flow from the well, believed to be a result of permeability variations along the wellbore along with the presence of a potential blockage caused by the use of heavy drilling mud. Analysis indicates that these flow rates should be materially improved by applying a standard fracture stimulation procedure as the optimal remediation technique. This is considered a relatively cost-effective and straightforward procedure in a vertical hole and the operator is confident of a successful result.

Update on VOBM#1 well, Polk County, onshore East Texas

Arrangements for the processing and transportation of natural gas production with the preferred natural gas pipeline companies are now in the final stages of negotiation. The operator has prudently taken its time in these negotiations, assessing all options in order to ensure that it achieves the best possible commercial terms for production from both this well and future wells in the area. Commercial production from VOBM#1 is estimated to begin in Q2 2016.

Jay Cheatham, CEO, said:

"Following our achievements with the drillbit last year, along with the Company's oversubscribed equity placing in March 2016 which raised US\$30 million (gross), this is a very exciting period for Pantheon. We are fully funded to exploit the potential of our acreage, taking advantage of the materially lower costs in the mid and upstream sectors of the industry. We are now in a position to

start moving on from the initial exploration phase to development and first production, an important milestone in any E&P company's journey.

“Building upon the successes of the VOBM#1 and VOS#1 discovery wells completed in late 2015, we can now focus on drilling out and extending those prospects with expediency. Two of the wells are considered development wells and the third is a large step out which could have material implications for the Company if successful. The availability of nearby local infrastructure near to our prospects should enable future discoveries to be brought into production within a matter of weeks of completion, once permitting is obtained. We have also been fortunate to contract the same Nabors drilling rig used previously, providing valuable continuity, and have also benefited from today's lower cost environment. We plan to drill these wells horizontally, which modelling suggests could deliver ultimate recoveries 200% to 300% that of a vertical well in a success case.

“East Texas has experienced heavy rainfall in recent days which has resulted in some modest delays, however the rig is now contracted and operations will commence as soon as conditions permit.”

Further information:

Pantheon Resources plc

+44 20 7484 5359

Jay Cheatham, CEO

Justin Hondris, Director, Finance and Corporate Development

Stifel Nicolaus Europe Limited

+44 20 7710 7600

(Nominated Adviser and broker)

Michael Shaw

Ashton Clanfield

FTI Consulting

+44 20 3727 1000

Ed Westropp

Shannon Brushe

James Styles

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.

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.

The mineral resource estimates presented by the Company have been prepared by Mr. Arthur E. Berman BA, M.S. (Geology), Director of Labyrinth Consulting Services Inc., who has over 30 years' experience as a geoscientist.

***Note to Editors – Background on the Double A Wells Field**

In addition to the two discoveries Pantheon has announced, the Company's joint venture has previously identified numerous other locations on its acreage with similar geological signatures and

resource potential to the Double A Wells field, the analogue field nearby. It was discovered in 1985 and has produced over 20 million barrels of oil and 415 bcf of natural gas to date from a footprint of circa 4,000 acres, making it one of the most prolific fields in North America, measured on a return on investment per acre basis. At the time of the Company's equity placing in late 2014, which has financed the first two wells drilled by the joint venture, the prospective resources attributable to the joint venture were estimated by the independent geologist Art Berman at 301 mmboe (PANR share 50%) on a P50 basis.

GLOSSARY

bbbl	barrel of oil
bcf	billion cubic feet
boe	barrels of oil equivalent
boepd	barrels of oil equivalent per day
mcf	thousand cubic feet
mmboe	million barrels of oil equivalent