

29 November 2016

Pantheon Resources plc

Operational Update

Pantheon Resources plc ("Pantheon" or the "Company"), the AIM-quoted oil and gas exploration and development company with a working interest (of 50%-58%) in several conventional projects located in Tyler and Polk Counties, onshore East Texas, today announces the following statement:

Jay Cheatham, CEO, will be in London this week meeting with investors, and during those meetings will be discussing the following information:

Update on VOBM#3, Polk County, East Texas

Flow testing operations on VOBM#3 are ongoing. Data received to date is not yet conclusive and is indicative of a well continuing to clean up. On a 10/64ths choke, the flowing tubing pressure ("FTP") ranged from 4,000 to 5,900 psi. Natural gas flow rates ranged from 1,500 to 3,000 mcfpd and the oil (51 degree API) flow rate ranged from 24 to 240 bopd, equivalent to 274 to 740 boepd. At the end of the latest testing period the FTP was increasing. By comparison, a 12/64ths choke, which was used to flow test the VOBM#1 well, has a surface area that is over 40% larger than that of the 10/64ths choke used on this well.

The operator chose to perform a single stage fracture stimulation procedure on the well in order to emulate the possible benefits of horizontal drilling. To date, less than 60% of the fracture stimulation fluid has been recovered which may be a contributor to the variability in flow results to date.

Given the variability in flow data, it is impossible at this early stage to make an accurate prediction of the well's ultimate potential, however based on the data received to date management believe that the well will be a commercial producer. We expect flow rates to stabilize going forward. Reinterpretation and analysis of 3D seismic information following logging data from this well, suggests that VOBM#3 is located near the edge of the reservoir, accounting for the differences to the excellent flow test data from the VOBM#1 well, located circa one mile away, and which appears to be more centrally located within the mini basin. Whilst at an early stage, results to date support management plans for the contracting of the preferred gas processing option, which targets first production revenues in Spring 2017. Further updates on this process will be made when appropriate.

Flow testing will continue, and results will be announced once flow rates have stabilized and testing operations are completed.

Update on VOBM#4, Tyler County, East Texas

Drilling continues at approximately 12,000 feet vertical depth, on schedule and on budget. A further update will be provided at the Company's AGM.

Jay Cheatham, CEO, said:

“Today’s announcement has been made earlier than would normally be the case, however with investor meetings scheduled it is necessary to issue a cleansing statement ensuring that information is available to all investors equally. Usually an announcement would only be made after testing is complete. An accurate assessment of the well can only be made once testing operations are complete.”

“Analog wells in the Double A Wells field, with similar flowing tubing pressures during testing have been good wells. It is well documented that individual well performance of Double A Wells field wells showed variance, dependent upon their respective location within the reservoir, with better quality sands typically located closer to the centre of the basin. This is consistent with the experience of our drilling and analysis to date. Based on the early results to date, our assessment of the potential of our acreage is undiminished.”

Further information:

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

Stifel Nicolaus Europe Limited (Nominated Adviser and broker) +44 20 7710 7600
Callum Stewart
Ashton Clanfield
Nicholas Rhodes

FTI Consulting +44 20 3727 1000
Ed Westropp
James Styles

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

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 inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014 and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations.

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.

- Ends -

Glossary

API	The American Petroleum Institute gravity, or API gravity, is a measure of how heavy or light a petroleum liquid is compared to water
Boepd	Barrels of oil equivalent per day

Bopd	Barrels of oil per day
Fracture stimulation (fracking)	A treatment performed to restore or enhance the productivity of a well. Fracturing treatments are performed above the fracture pressure of the reservoir formation and create a highly conductive flow path between the reservoir and the wellbore. Stimulation typically occurs in shale gas reservoirs.
Mcfpd	Thousands of cubic feet per day
psi	Pounds per square inch