



22 October, 2018

**Pantheon Resources plc
Corporate update**

Pantheon Resources plc (“Pantheon” or “the Company”), the AIM-quoted oil and gas exploration company with a 50% - 75% working interest in several conventional project areas in Tyler and Polk Counties, onshore East Texas provides the following update.

Directorate change

Pantheon announces that John Walmsley has decided to retire from his role as Chairman of the Company at the Company’s forthcoming Annual General Meeting, scheduled for December 2018. Mr Walmsley has served on the Board of Pantheon for 11 years and has agreed to continue with the Company in the role of Non-Executive Director.

Pantheon is also delighted to announce that Phillip Gobe, currently Non-Executive Director, has accepted the role of Chairman. Mr Gobe’s appointment as Chairman reflects the Board’s determination to commercialise the geological potential of the East Texas assets. Mr Gobe’s extensive industry, operating and commercial experience ideally position him to lead the Company into a new era, as it works towards full control, ownership and operatorship of its assets in Polk and Tyler Counties.

Mr Gobe, who joined the Board of Pantheon in December 2016, is based in Texas USA and has over 40 years’ experience in the oil and gas industry, onshore and offshore USA. He is currently a Non-Executive Director and Chairman of the Compensation and Leadership Development Committee of the S&P 500 company, Pioneer Natural Resources, a \$28.4bn Texas-based independent exploration and production company focused on onshore unconventional oil and gas resource and production growth in the Permian basin and Eagle Ford shale. Mr Gobe is also the Lead Director and Chairman of the nomination and compensation committee of Scientific Drilling International Inc, the fifth largest provider of directional drilling and measurement equipment and operational services. Mr Gobe spent the majority of his early career with Atlantic Richfield Company (ARCO) in various roles and capacities in drilling, operations, human resources, health and safety and senior management. This included a role as operations manager of Prudhoe Bay in Alaska, ARCO’s largest and most valuable asset, and the largest oil field in North American history.

Jay Cheatham, CEO, said, *“On behalf of the Board and all shareholders, I would like to thank John for his tremendous and tireless contribution to Pantheon to date, as both Non-Executive director and then Chairman, and we look forward to benefitting from his industry and commercial experience as he continues on the Board of the Company.”*

“We are delighted that Phillip, with his deep industry, operating and commercial experience in North America, has accepted the role of Chairman to lead the Company in its important next phase. As I have stated repeatedly, I have absolute belief in the geological potential of our project, and believe

the issues encountered to date have been primarily operational in nature. Phillip's appointment, along with the appointments of the experts at Sierra Hamilton and more recently Prof. Dr Van Oort, directly address this matter and represent a definitive step in Pantheon's history, heralding a new era where Pantheon moves towards assuming operatorship and decision making control over our project."

Tyler County pipeline

Pantheon is pleased to announce that work on the 2½ mile Smith gathering line in East Texas is nearly complete. It is anticipated that the pipeline connecting the VOS #1 well and the Enterprise gas gathering and processing system in Tyler County will be hooked up ready for first production by the end of October 2018. This work has continued despite heavy rainfall and localized flooding in the area. Both the Pantheon and Enterprise crews are to be commended for their work under difficult operating conditions. Based on the latest available information and assuming current commodity prices and tested flow rates, the Company estimates that the cash flow generated by Pantheon from VOS #1 could be sufficient to fund Pantheon and Vision's combined overheads and G&A following the initial commissioning operations.

Jay Cheatham, CEO, added, *"I am very pleased to be able to report on the progress of this gathering pipe line. We ended up boring significantly more footage than originally estimated, which could have significantly delayed start up, but the crews worked double shifts to overcome that and the significant impact of the rain. Since the VOS#1 well has been shut in, except for short term testing, we will bring it on slowly and allow it to clean up gradually. Once fully operational we will report on the flow rates, production and revenue. We will post photographs on our website showing the work associated with the preparation and installation of the connecting pipeline system in Tyler County."*

Share Issue and Total Voting Rights

The Company announces that it has issued 150,000 new ordinary shares in lieu of cash, and at their election, to Align Research for services provided to the Company with respect to the commissioning of a future equity research report (which will be available for distribution to all investors) as well as ongoing coverage on the Company. Further information on Align Research is available at: <http://www.alignresearch.co.uk/about-us/>

Application has been made to admit the new ordinary shares to trading on AIM and it is expected that admission will become effective on 25 October 2018.

Following Admission, the Company's issued share capital will comprise 237,486,555 Ordinary Shares. No Ordinary Shares are held in treasury. The figure of 237,486,555 Ordinary Shares may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Update on Vision and Farm-in Negotiations

The Board is continuing to work very closely with the Estate of the late Bobby Gray and Kaiser Francis Oil Company as Pantheon moves towards increasing its working interest in the project to 100% and thereby assuming full control and operatorship of the East Texas asset. Much progress has been made and the highly complex structuring and legal work associated with acquiring the interests is well advanced. The Board looks forward to updating shareholders as soon as possible.

Pantheon intends to assume full control of the East Texas assets before concluding any farm-out. The Board confirms there are a number of parties in negotiations where the objective is for the farm-in partner to provide funding (and possibly operatorship if appropriate) for drilling operations in exchange for a working interest in a particular well or project. The Company aims to be in a position to execute a farm-in agreement following the completion of the intended legal transfer that grants Pantheon full control of the East Texas assets. Announcements will be made as appropriate.

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For further information on Pantheon Resources plc, see the website at:

www.pantheonresources.com

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