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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (596/2014/EU) ("MAR"). IN ADDITION, MARKET SOUNDINGS (AS DEFINED IN MAR) WERE TAKEN IN RESPECT OF CERTAIN OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION, AS PERMITTED BY MAR. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

21 December 2018

Pantheon Resources plc
("Pantheon" or the "Company")

**Proposed Placing and Subscription to raise a minimum of approximately US\$16.0 million
Acquisition of Great Bear Companies**

Pantheon Resources plc (AIM: PANR), the AIM-traded oil and gas exploration company with a 50 per cent. - 75 per cent. Working Interest in several conventional project areas in Tyler and Polk Counties, onshore East Texas, announces a proposed Capital Raising to raise a minimum of US\$16.0 million (before expenses).

Alongside the placing, Pantheon intends to acquire two wholly owned companies from Great Bear Petroleum Operating LLC ("**Great Bear**") (the "**Acquisition**"), Great Bear Petroleum Ventures I LLC and Great Bear Petroleum Ventures II LLC (together the "**Great Bear Companies**"). The main assets of the Great Bear Companies are leases with the rights to explore for hydrocarbons in Alaska (the "**Leases**").

Arden Partners plc ("**Arden**") is acting as Nominated Adviser and Sole Broker to Pantheon. Defined terms used in this announcement have the same meaning as set out at the end of this announcement.

Highlights:

- The Company intends to conduct a placing and subscription raise a minimum of US\$16.0 million via the Placing of new Ordinary Shares ("**Placing Shares**") at a price of no less than 15.25 pence per New Ordinary Share ("**Minimum Issue Price**"). The Placing and Subscription are conditional, amongst other things, on shareholder approvals.
- The Company has conditionally agreed to acquire the Great Bear Companies which have over 250,000 leased acres onshore North Slope of Alaska, are well located to infrastructure, and whose acreage has an estimated P50 Technically Recoverable Resource (Gross) of 2.0 billion barrels oil.
- Over US\$200 million invested into the Great Bear assets to date, including over 1000 square miles of 3D seismic

- The Great Bear acreage contains two discovery wells with six hydrocarbon bearing zones, including the Alkaid discovery well (“**Alkaid**”) which has been drilled, cased, logged and sidewall cored, and awaits flowtesting.
- The Acquisition is conditional on, *inter alia*, the completion of the Capital Raising, approval by the State of Alaska, Department of Natural Resources, and the passing of certain resolutions at a general meeting, further details of which are set out below.
- Purchase consideration for the Great Bear Companies values the assets at approximately US\$49 million, being approximately 49 per cent. of the value of the combined entities, pre Capital Raising. The consideration consists of a combination of Ordinary Shares, non-voting B Shares, cash and Warrants. The shares component of the consideration will be capped at 100,000,000 Ordinary fully paid shares (“Ordinary Shares”), with the remainder comprising a non-voting B shares.
- Subject to completion of the Acquisition and Capital Raising, the Company intends to:
 - undertake a flowtest of the Alkaid well (75 per cent. Working Interest) with potential for 549 million bbl. oil (P50 Technically Recoverable Resource) over 3 independent zones, commencing in the first quarter of 2019;
 - participate in a carried 10 per cent. Working Interest exploration well on the Winx prospect (“**Winx**”) with potential for 400 million bbl. oil (P50 Technically Recoverable Resource) in the first quarter of 2019; and
 - drill a sidetrack to the VOBM#1 discovery well in East Texas which was compromised by collapsed casing. The VOBM#1 well flow tested at 6000mcf/d natural gas and 500 bopd oil.
- The Company intends to appoint Bob Rosenthal, Jeremy Brest and Carl Williams to the Board of the Company. Further details of the appointment of these proposed Directors is set out below.
- The Placing is to be conducted by way of an accelerated bookbuild process (the “**Bookbuild**”) which will commence immediately following this Announcement in accordance with the terms and conditions set out in the Appendix to this Announcement.
- Completion of the Capital Raising is subject, *inter alia*, to Shareholder approval of certain resolutions to enable the issue of the new Ordinary Shares and non-voting B shares, which will be sought at a General Meeting of the Company, details of which will be announced in due course.
- The Minimum Issue Price represents a discount of approximately 10.3 per cent. to the closing price of 17 pence on 20 December 2018, being the last practicable date before this announcement
- Following the Acquisition and the Capital Raising, the existing Pantheon shareholders will own, in aggregate, approximately 43 per cent. of the Enlarged Share Capital
- A Circular containing further details of the Placing including a notice convening the General Meeting is expected to be despatched to Shareholders shortly following completion of the

Bookbuild and will thereafter be available after publication on the Company's website at www.pantheonresources.com.

The existing and proposed Directors have indicated that they intend to participate in the Subscription for an aggregated amount of £256,000. The ultimate allocation to the Directors is at the absolute discretion of the Sole Bookrunner and the Company.

The number of Placing Shares to be issued will be determined based on the exchange rate between the U.S. dollar and pound sterling on the date on which the Bookbuild is closed. Any reference to gross or net proceeds in this Announcement or any other amount in this Announcement stated in US\$ assumes an exchange rate of 1:1.267, being the exchange rate between the U.S. dollar and pound sterling on 20 December 2017.

Jay Cheatham, CEO of Pantheon Resources, said:

“I am extremely pleased that we have the opportunity to bring such quality assets into Pantheon, and to complete a significant fundraise in extremely difficult market conditions when other transactions are being pulled. The fundraise provides capital for an incredibly impactful winter testing with three significant wells, in both East Texas and Alaska. In addition to the geological prospects, the transaction delivers a very talented and experienced team who bring the added benefit of adding to our East Texas knowledge. 2019 will certainly be an exciting year for our company.”

Pantheon 020 7484 5361
Jay Cheatham, CEO
Justin Hondris, Director, Finance and Corporate Development

Arden Partners plc (Nominated Adviser and Broker) 0207 614 5950
Paul Shackleton / Dan Gee-Summons – Corporate Finance
Simon Johnson – Corporate Broker
Paul Brotherhood – UK Equity Sales

FTI Consulting 0203 727 1000
Ben Brewerton

General Meeting and Timetable:

To authorise the Capital Raising, the issue of New Ordinary Shares and the issue of the non-voting B Shares a General Meeting is expected to be convened on or around 9 January 2019 at which the Resolutions will be voted on to enable the Proposals to proceed. Further details will be announced in due course.

Expected Timetable of Principal Events	Date
Publication and posting of the Circular, the Application Form and Form of Proxy	24 December 2018
Latest time and date for receipt of Forms of Proxy to be valid at the General Meeting	10:00 a.m. on 7 January 2019

General Meeting	10:00 a.m. on 9 January 2019
Announcement of results of the General Meeting	9 January 2019
Completion of the Acquisition*, Admission effective and dealings expected to commence in the New Ordinary Shares on AIM	8.00 a.m. on 10 January 2019
New Ordinary Shares credited to CREST stock accounts	8.00 a.m. on 10 January 2019
Expected date by which certificates in respect of New Ordinary Shares are to be despatched to certificated Shareholders (as applicable)	On or prior to w/c 14 January 2019

Completion of the Acquisition is subject to DNR approval and so dates may be subject to change depending if and when such approval is received.

Each of the times and dates above refer to London time and are subject to change by the Company and/or Arden. Any such change will be notified to Shareholders by an announcement on a Regulatory Information Service. The Circular will contain further details of the Proposals.

Additional Information

The Company is seeking to raise a minimum of US\$16.0 million (before expenses) (the "**Minimum Placing Amount**") via a placing and subscription of Capital Raising Shares with institutional investors through an accelerated bookbuild.

The funds raised from the Capital Raising will be used to finance the cash portion of the Acquisition, renewal of leases, working capital and to execute on the Company's drilling and testing programme in 2019.

The Proposals will be subject to the approval of Shareholders at the General Meeting. If the resolutions to approve the Proposals are duly passed, the Company will apply for the New Ordinary Shares to be admitted to trading on AIM and will create separate non-voting B Shares which will be unlisted but can be converted into New Ordinary Shares provided such a conversion would not result in a mandatory offer under Rule 9 of the City Code. The non-voting B shares rank pari passu with the Existing Ordinary Shares in respect of economic rights but do not have the right to vote. It is expected that Admission of the New Ordinary Shares will take place and that dealings in the New Ordinary Shares will commence on or around 10 January 2019.

The Directors intend to vote in favour of the Resolutions in respect of 5,099,853 Existing Ordinary Shares, representing approximately 2.15 per cent. of the Company's existing issued share capital.

Introduction

On 20 December 2018, the Company entered into a conditional agreement to acquire the entire issued share capital of the Great Bear Companies. The consideration for the Acquisition is approximately US\$49 million and is payable by the Company as to a minimum of US\$2,500,000 (the "**Cash Consideration**") in cash and by the issue of up to 100,000,000 New Ordinary Shares and up to 115,234,570 non-voting B Shares (together the "**Consideration Shares**").

The actual amount of the Cash Consideration and the number of Consideration Shares is dependent on take up under the Capital Raising. These will be announced separately upon closing of the Bookbuilding Process.

Following the Acquisition, Pantheon will undertake an active period of activity with operations on three wells, targeting over 950 million barrels of oil P50 Technically Recoverable Resource (gross) over the first six month period following Admission as follows:

1. A flow test of the Alkaid discovery well - 75 per cent. Working Interest, targeting P50 Technically Recoverable Resources of 549 million bbl. over three independent zones. Planning to commence immediately for testing Q1/Q2 2019. The Alkaid well is a discovery well that was drilled in 2015, logged and sidewall cored but was unable to be flowtested because the equipment was moved off location due to unseasonal flooding on the North Slope of Alaska.
2. To participate in the drilling of an exploration well on the Winx prospect – 10 per cent. carried Working Interest plus a further 10 per cent. back in right exercisable upon success targeting 400 million bbl. (P50 Technically Recoverable Resource). Estimated spud date: February 2019.
3. To drill a sidetrack of the VOBM#1 well in Polk County, East Texas – 70 per cent. Working Interest. The original VOBM#1 wellbore suffered collapsed casing and has been shut in for over two years. Prior to that the well exhibited excellent tested flow rates of 6,000mcf/d and 500 bbl.s oil per day. The Directors estimate a spud date of March 2019.

Information on The Great Bear Companies

Great Bear was founded in 2012 and has been operating on the North Slope of Alaska for over 6 years. In that time, Great Bear has acquired over 500,000 acres of leases, with the rights to explore for hydrocarbons, and over US\$200 million has been spent to date assessing both conventional and unconventional oil opportunities related to this acreage. Great Bear has managed its acreage portfolio over this time and currently holds over 250,000 acres of leases. Importantly, oil from the North Slope of Alaska trades at a significant premium to mid-continent crudes oil price, greatly enhancing potential economics.

The land currently leased by the Great Bear Companies has been covered by a 1025 square mile proprietary 3D seismic survey, owned by Great Bear, that covers all of its acreage where exploration projects have been identified. The current leases are collectively estimated to have 2.0 bn billion barrels oil of P50 Technically Recoverable Resource potential. Both the Winx and Alkaid wells have operational commitments required by 31 May 2019 and which are expected to be met based upon the intended activity programme. Full details of lease obligations can be found in the risk factors section of this document.

The acreage contains two discovery wells; Alkaid (75 per cent. Working Interest) and Pipeline State, on the Talitha prospect (90 per cent. Working Interest). Alkaid was drilled in 2015 by Great Bear and was determined to be a discovery (with 3 independent zones of potential), however due to flooding the well was unable to be flow tested and appraised. The Pipeline State discovery well was drilled in 1988 by Arco however the well was not deemed to be commercial at that time because prevailing oil prices were below US\$15 per barrel and drilling technologies were not sufficiently advanced at that time to efficiently exploit the layered sands. Today's modern horizontal drilling practices are believed to be ideally suited to exploit this known hydrocarbon bearing prospect.

The Great Bear Companies completed a farmout of the Winx well in 2018 and have a 10 per cent. Working Interest in the well with an option to acquire an additional 10 per cent. Working Interest exercisable within 6 months following completion of the Winx well (the "**Back-In Right**"). The cost of exercising the Back-In Right is 20 per cent. of the cost of the well. The Winx well is estimated to have 400 million barrels oil P50 Technically Recoverable Resource potential. The prospect is located approximately 4 miles east of the Horseshoe#1/1A Nanushuk oil discovery well, claimed by Repsol in 2017 to be "the largest U.S. onshore oil discovery in 30 years".

As at 31 December 2017, the Great Bear Companies had assets of approximately US\$24.5 million, principally represented by Lease assets. Revenue for the year ended 31 December 2017 was US\$nil and losses attributable to the Great Bear Companies for the same period were approximately US\$2.2 million.

The Directors consider the proposed acquisition of the Great Bear Companies to be an attractive acquisition of high impact exploration and appraisal projects with potential for significant near term upside potential. The leases owned by Great Bear Companies are considered to be complimentary to the current East Texas assets both being conventional, onshore USA prospects with outsized potential and both supported by significant geological analysis and seismic interpretation. The high impact Alaskan conventional portfolio balances the shorter term cashflow potential of the East Texas assets and the subsurface geology shows some geological similarities.

P50 Technically Recoverable Resource						
Estimated Timing			Oil in Place mmbl	Recoverable Oil mmbl	Possible Zones	GBP Interst
2019	Alkaid Production	Test Zone				
		ZOI	250	25	1	75%
		West Sak	890	134	1	75%
		Ugnu	2,600	390	1	75%
2019	Winx Exploration ¹	Exploration	1,385	400	5	10% ¹
2020	Talitha Appraisal	Appraisal	2,643	508	4	90%
2020/21	Theta Exploration	Exploration	3790	600	2	90%
2021+	Megrez Exploration	Exploration	660	99	1	90%
2021+	Phecda Project	Exploration	345	34	1	75%
2021+	Tania & Alula	Exploration	TBD	TBD	3	90%
Total barrels (bn)			13	2	18	

Note(1): 10% Working Interest plus a buy in right for an additional 10%, exercisable in the event of success

Background to and Reasons for the Acquisition and Capital Raising

Background

The Company's long term strategy is to maximise the value of the Company through the exploration of onshore Oil and Gas projects in the United States by drilling enough wells to sufficiently demonstrate the potential of the acreage enough to attract a buyer or farm in partner. The Company believes that the Alaskan assets are complementary to this strategy. Additionally, Pantheon has identified synergies with the highly competent technical team and shareholder base of Great Bear.

The Great Bear team includes high quality technical and commercial personnel which will be of great benefit to the Company as it moves to operatorship of its East Texas portfolio, subject to completion of its proposed acquisition of the Working Interests of its partner, Vision as announced on 17 December 2018.

Reasons for the Capital Raising

The Company is undertaking the Capital Raising to finance the cash proportion of the consideration for the Acquisition and to provide funds to renew certain leases, to finance the Company's drilling and testing programme in Alaska and East Texas in 2019 and for working capital purposes. Neither the Placing nor the proposed Subscriptions are being underwritten.

The Acquisition

The consideration payable in respect of the Acquisition of the Great Bear Companies under the Membership Interest and Asset Purchase Agreement is: (i) a cash payment of US US\$2.5 million plus 50 per cent. of gross funds raised in the Capital Raising above US\$16 million, up to a maximum cash payment of US\$5 million; and (ii) the allotment and issue by the Company to Great Bear and Farallon of 100,000,00 fully paid Ordinary Shares; and (iii) of such number of non-voting B shares in the capital of the Company as have an aggregate value of US\$ 22.3 million based on the Placing Price with all shares subject to a one year lock-in arrangement. The acquisition is conditional upon completion of the Capital Raising, the admission of the new Ordinary Shares to trading on AIM and the issue of the consideration shares to Great Bear and Farallon.

It has been agreed that Great Bear and Farallon will also be issued 9,607,843 warrants which will mirror the terms of the existing share options in the Company, except they shall only be convertible into non-voting B Shares. The warrants will be exercisable at any time, whether or not the Options are exercised.

Pantheon P50 Technically Recoverable Resource by Prospect

Project Area	Includes	Working Interest*	Oil Mmbo	Gas Bcf	Combined Mmboe	Potential vertical wells
LP2 Offset Discovery						
<i>Tyler County</i>	VOS#1 well	100%	0	4	1	Up to 1
West AA Discovery						
<i>Polk County</i>	VOBM#1 well	100%	8	196	41	Up to 26
Core Offset Prospects						
B&C						
<i>Tyler County</i>		100%	14	330	69	Up to 44
Prospect D						
<i>Polk County</i>		100%	5	129	27	Up to 17
Austin Chalk		100%	4	98	20	Up to 20
Totals			31	757	157	Up to 107

Notes:

(1)Excludes recently discovered Wilcox and Navarro potential. Pantheon's leased acreage position is subject to change as the Company actively manages and prioritises its portfolio.

(2) P50 Technically recoverable resource for currently leases/optioned acreage amounts 157mmboe.

(3)Subject to overriding royalty of 20%-25.5%

* Assumes successful acquisition of Vision. Actual Working Interest could vary from 95% to 100% in 3 lease blocks if a third party elects to contribute.

Current acreage under lease and option has been estimated contain a P50 Technically Recoverable resource of 157mmboe. Subject to a successful acquisition of Vision's interests, Pantheon's Working Interests in these prospects will increase to 100 per cent. (or 95 per cent. in 3 acreage blocks should an independent third party company elect to participate and pay its proportionate share of costs). Pantheon will continue to manage its acreage position and will lease key additional acreage as required. There has been very little regional leasing activity over recent times.

Shareholding of Great Bear

Great Bear and Farallon are expected to hold a maximum of 25 per cent. of the voting rights in the Company immediately following Admission. In addition, they will hold in aggregate up to 115,234,570 non-voting B Shares that are convertible in certain circumstances into Ordinary Shares. This would give Great Bear and Farallon an economic interest in Pantheon of approximately 39 per cent. (comprising both Ordinary Shares and non-voting B Shares).

As long as Great Bear and/or Farallon directly or indirectly hold 25 per cent. or more of the Ordinary Shares in the Company, such a holding will enable them to, among other things, to vote against and block without support from independent Shareholders all special resolutions of the Company including, but not limited to, approving the disapplication of pre-emption rights and amending the Articles of the Company. They may also be able to control or exert significant influence on all of the Company's policy decisions and its strategic direction. Holders of Ordinary Shares will not benefit from any specific minority shareholder protection other than to the extent prescribed under English Law. Further details of the Relationship Agreement are set out below.

Non-voting B Shares

The Company is also proposing to issue and allot up to 115,234,570 non-voting B Shares to Great Bear as part consideration for the Acquisition. Pursuant to the amendment to the Company's existing articles of association to be proposed at the General Meeting, the non-voting B Shares will have no rights to vote at general meetings and annual general meetings (although the holder shall have a right to receive notice of and attend such meetings) and will not be transferable save where: i) the transfer is to an affiliate of the holder of the non-voting B Shares; or, (ii) the transferee is already a holder of non-voting B Shares. In addition, the holders of the non-voting B Shares may transfer or grant security over the non-voting B Shares to a bank or other financial institution. The non-voting B Shares shall not be admitted to trading on AIM or any other market. No conversion of any of the non-voting B Shares may be made without Panel consent or if, immediately following such conversion, the holder of the non-voting B Shares (together with any persons acting in concert as defined in the Code) are or shall become the holders of 30 per cent. or more of the entire issued voting share capital of the Company requiring the making of a mandatory offer pursuant to Rule 9 of the Code. The restriction referred to above, shall not apply in the event an offer for the share capital of the Company (as defined in the Code) is declared unconditional in all respects.

Save as referred to above, each non-voting B Share may at any time be converted (in accordance with the articles of association to be adopted pursuant to the Resolutions) into one new Ordinary Share.

Save as referred to above, the non-voting B Shares will rank *pari passu* with the existing Ordinary Shares.

The Company is required to make an application for any new Ordinary Shares resulting from the conversion of any of the non-voting B Shares to be admitted to trading on AIM

IMPLICATIONS OF THE PROPOSALS UNDER THE CITY CODE

The Company is subject to the City Code. Under Rule 9 of the City Code, any person who acquires an interest (as defined in the City Code) in shares which, taken together with shares in which he is already interested in and which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Great Bear and certain other connected parties are deemed to be acting in concert. The consideration payable is structured such that the Ordinary Shares, held by and to be issued to those persons who are deemed to be acting in concert will amount to less than 30 per cent. of the voting rights of the Company. Accordingly, there is no obligation to seek a dispensation, or to make a mandatory offer pursuant to Rule 9 at the City Code at Completion.

The consideration also includes up to 115,234,570 non-voting B shares which have no voting rights but are convertible into voting ordinary shares. The proposed articles, which the Company intends to adopt as part of the transaction, prevent conversion of the non-voting B shares to Ordinary Shares without Panel consent. In circumstances where conversion would give rise to a Mandatory Offer pursuant to the Code, the Company's articles will cause the conversion notice to be automatically revoked.

The persons acting in concert comprise the following: Great Bear, Farallon and associates of these companies as defined in the Code. Also, Robert Rosenthal, Jeremy Brest, Carl Williams, Steve Diamond and Mario Traviati, who are all connected to Great Bear, are treated as acting in concert with this group.

Relationship, Lock in and Orderly Market agreement

The Company, Great Bear, the Great Bear Shareholders, an affiliate of Farallon and Arden have agreed to enter into the Relationship Agreement prior to Admission.

Under the Relationship Agreement, each of Great Bear, the Great Bear Shareholders and an affiliate of Farallon will give certain undertakings, including, to exercise his voting rights, insofar as they are able, as a shareholder to: (i) ensure that transactions entered into between any member of the Group and each of Great Bear, the Great Bear Shareholders and the affiliate of Farallon (and their associates), are conducted on an arm's length basis and on normal commercial terms; and (ii) that the Group shall be managed for the benefit of the Shareholders and the business of the Group and not solely for the benefit of Great Bear, the Great Bear Shareholders or the affiliate of Farallon.

This Relationship Agreement will come into force on Admission of the New Ordinary Shares and shall be in force and effective for any period whilst the Shares are admitted to trading on AIM and whilst Great Bear, the Great Bear Shareholders and Farallon (jointly or individually) in the Company hold 20 per cent or more of the rights to vote at a general meeting of the Company. The Relationship Agreement will be governed by the laws of England and Wales.

The Great Bear Shareholders and Farallon have agreed not to dispose of the Consideration Shares for a period of 12 months after Admission other than in relation to up to 12,938,787 Consideration Shares following the announcement of the results of the Winx Well.

Any disposals after the expiry of this period are subject to orderly market arrangements for a further period of 12 months.

Use of proceeds

The Gross proceeds receivable by the Company pursuant to the Capital Raising are expected to be a minimum of US\$ 16.0 million. The Company intends to use the proceeds together with its existing cash resources and potential future cash flow from production to fund the Acquisition of the Great Bear Companies and its forward capital programme:

	US\$m	US\$m
Placing		16.0
Transaction Costs		(1.1)
Estimated Production Revenues		7.0
Total Sources of Funds		21.9

	US\$m	US\$m
Acquisition of Great Bear		2.5
<i>Drilling & testing Programme</i>		
East Texas	2.8	
Alaska	3.3	
Total Drilling Programme		6.1
<i>Lease Renewals</i>		
East Texas	3.7	
Alaska	1.3	
Total Lease Renewals		5.0
<i>Working Capital and G&G</i>		
East Texas	3.3	
Alaska	1.8	
Total Working Capital and G&G,		5.1
Total capital expenditure (East Texas)		1.4
Total Working capital Requirement		21.1
Current trading and prospects for the Company		

The Company's Results for the year ended 30 June 2018 were released on 21 December 2018. A copy of these results can be found at www.pantheonresources.com. Highlights subsequent to 30 June 2018 are outlined below:

- a) Announced in December 2018 that it had agreed non-binding terms for the acquisition of Kaiser Francis's 67 per cent. stake in Vision Resources LLC and Vision Gas Limited, thereby commencing the process to ultimately assume operatorship and control of the East Texas assets.
- b) Negotiated gas processing and gathering contract in Tyler County, built pipeline and commissioned the VOS#1 well in November 2018. Given that well was shut in for over 2 years and suffered significant intervention it has been brought onstream carefully, through a very small choke and is currently producing 1,425mcf/d natural gas through a 7/64th choke.
- c) John Walmsley has announced he will be stepping down from his role as Chairman but will remain on the Board. He will be replaced by Phillip Gobe effective at the Company's forthcoming AGM in January 2019. Phillip was formerly the head of Prudhoe Bay operations in Alaska for ARCO.
- d) Pantheon is in present negotiations to acquire the remaining stake in Vision and all Vision's Working Interests in Tyler and Polk Counties for non-cash consideration, comprising circa 6 million fully shares and a 0.5 per cent. success based royalty. Following the passing of the late Bobby Gray, Principal of Vision, his Estate has indicated their unwillingness to commit further capital into the project affording Pantheon the opportunity to negotiate mutually beneficial terms.

Post Admission Board and Management

Board Appointments

The Board intends to appoint Robert Rosenthal BSc, as Technical Director of Pantheon following Admission and the AGM.

Robert Rosenthal, also known as Bob, has been the Chairman, Chief Executive Officer, President and Secretary of North American Oil & Gas Corp. since November 2012. He began his career with Exxon in Houston in 1977 and then joined Sohio Petroleum in San Francisco in 1980. He was involved in a number of exploration Licensing Rounds in California and Alaska before being seconded to BP in the UK in 1985, where he led an exploration effort in the central portion of the North Sea. Mr. Rosenthal returned to the US for a brief period in 1987 to work on the San Joaquin Valley in California. This was followed with a transfer back to London in successive positions with global responsibilities, as Advisor to the Chief Geophysicist, Chief Geologist, and General Manager of Exploration Worldwide. In 1990 he was charged with implementation of BP's new Exploration Strategy. From 3 March 2006 to 25 January 2008 Bob Rosenthal served as an executive director of Pantheon.

Bob Rosenthal qualified as a Geologist from the University of Southern California in 1974. He completed BSc in Geology and MSc in Geology and Geophysics at the University of Southern California in 1974 and 1977 respectively.

The Directors expect that his service agreement will be inline with those of the other executive directors.

Under the SPA, Great Bear has the right to appoint two non-executive directors to the Board of Pantheon, subject to regulatory approval. The Directors understand that Great Bear intends to appoint Carl Williams and Jeremy Brest who are the designated members for Alaska Great Bear Partners LLC ("AGBP") and Ursa Major Holdings LLC respectively, which own and control Great Bear. Pursuant to the Relationship Agreement these appointments will be on substantially similar terms as the Company's other non-executive directors.

Further announcements in relation to any Board appointments, including regulatory information, will be made in due course.

Senior management appointments

It is the intention that, on Admission, Patrick Galvin will be appointed Chief Commercial Officer and General Counsel Alaska. Mr Galvin is a former Alaska State Commissioner of Revenue, a former Petroleum Land Manager for the Alaska Dept of Natural Resources overseeing the State's oil and gas leasing programme. He is also a former partner at K&L Gates.

Conditions and other information relating to the Capital Raising

The Capital Raising and the acquisition of the Great Bear Companies are conditional, inter alia, upon:

- a) the passing of the necessary resolutions at the General Meeting to implement the Proposals;
- b) the Membership Interest and Asset Purchase Agreement becoming unconditional in all respects (save for Admission occurring) and not having been terminated in accordance with its terms;
- c) the Placing Agreement becoming unconditional in all respects (save for Admission occurring) and not having been terminated in accordance with its terms;
- d) Approval of the acquisition from the DNR; and

- e) Admission becoming effective by no later than 8.00 a.m. on 10 January 2019 (or such later time and/or date as the Company and Arden may agree (being not later than 8.30 a.m. on 18 January 2019)).

Accordingly, if such conditions are not satisfied or, if applicable, waived, none of the Proposals will proceed.

The Capital Raising is not underwritten by Arden Partners or any other person.

Settlement and dealings

The New Ordinary Shares will be in registered form and will be capable of being held in either certificated or uncertificated form (i.e. in CREST). Accordingly, following Admission, settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. Shareholders who wish to receive and retain share certificates are able to do so.

The ISIN number of the New Ordinary Shares is GB00B125SX82. The TIDM is PANR.

Risk Factors

Any investment in the Company is subject to a number of risks. Accordingly, prospective investors should carefully consider the risks set out below as well as the other information contained in this Announcement and any other publicly available information about the Company before making a decision whether to invest in the Company. The risks described below are not the only risks that the Company faces. Additional risks and uncertainties that the Directors are not aware of or that the Directors currently believe are immaterial may also impair the Company's operations. Any of these risks may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In that case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment. Prospective investors should consider carefully whether an investment in the Company is suitable for them in light of the information in this document and their personal circumstances.

Before making an investment, prospective investors are strongly advised to consult an investment adviser authorised under FSMA who specialises in investments of this kind. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances, the financial resources available to him or her and his or her ability to bear any loss which might result from such investment.

The following factors do not purport to be a complete list or explanation of all the risks involved in investing in the Company. In particular, the Company's performance may be affected by changes in the market and/or economic conditions and in legal, regulatory and tax requirements.

Lease Obligations

Risk: There are drilling and testing commitments on two blocks of acreage as follows. (1) To test the Alkaid well by 30 May 2019; (2) To drill the Winx well by 30 May 2019, (3) to drill another exploration well on the same block as Alkaid by 30 May 2020. In the event that any wells are not drilled before the deadlines it would likely result in default, however it is believed, but not guaranteed, that the State of Alaska would grant a cure period of 1 year. It is also believed that other pro-active strategies are available for negotiation with the State of Alaska in this situation.

Mitigation: With respect to the aforementioned commitments, it is noted that both the 30 May 2019 obligations are intended to be met, with the Alkaid test to be funded from this placing, and the Winx well having being farmed out with planned drilling in winter 2018/19 by the listed company 88 Energy with an intended spud date of mid-February 2019.

Committee on Foreign Investment in the United States CFIUS

Risk: CFIUS has the authority to review any transaction in which a foreign interest may gain “control” of a US business, as well as certain transactions that involve foreign investment but would not result in foreign control. CFIUS is tasked with determining whether a foreign investment in a US business presents a national security concern and, if so, whether that concern can be mitigated. If a national security concern cannot be mitigated, or the parties are unwilling to agree to the mitigation proposed, CFIUS may recommend that the President prevent or reverse the transaction or take other steps to alleviate the potential threat to the country.

Mitigation: The Board has received legal advice on this matter that concludes that the risk that CFIUS will order divestment of the acquired assets appears low.

Working Capital

Risk: The Company’s business plan and working capital requirement make certain assumptions as to the rate of production from the assets in East Texas and the price of Oil and Gas. If the assets do not produce at commercially economic rates, or if the price of Oil and Gas falls significantly, or if one or both of the wells suffered damage of some kind the Company may be required to raise more money. Additionally, the revenue assumptions presume a successful outcome to the VOBM#1 sidetrack well, given it is a sidetrack the VOBM#1 discovery well, however the outcome of future drilling operations cannot be estimated with certainty.

Mitigation: The Board believes that it has used prudent assumptions in its working capital statement as is funded to execute on the strategy as laid out in this presentation.

Commodity Prices

Risk: Oil from Alaska’s North Slope trades at premium to mid-continent crude due to the fact that there is not economically viable way to move much of the mid-continent crude to the west coast of the United States. In the event that such an economically viable process was developed, the premium for Alaska North Slope oil will be eroded or disappear

Regulatory Approval

Risk: The Acquisition is subject to approval by the Alaska Department of Natural Resources. There can be no guarantee as to the timing of receipt of such confirmation, if received, nor as to the conditions to which it may be subject, which may be material.

Mitigation: The Board believes that the transaction is good for the State of Alaska and is not aware of any reasons why approval should not be forthcoming. The Board will work to ensure that all application documentation is submitted rapidly with the aim of obtaining a positive formal decision as soon as practicable. It is a condition of closing of the placing transaction that the DNR does not disallow the acquisition

IMPORTANT NOTICE

This announcement is released by Pantheon Resources plc and contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("MAR") it is disclosed in accordance with the Group's obligations under Article 17 of MAR.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of the Group by Ben Harber, Company Secretary.

No action has been taken by the Group or Arden, or any of their respective affiliates, that would, or which is intended to, permit a public offer of the New Ordinary Shares in any jurisdiction or the possession or distribution of this announcement or any other offering or publicity material relating to

the New Ordinary Shares in any jurisdiction where action for that purpose is required. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Persons into whose possession this announcement comes shall inform themselves about, and observe, such restrictions.

No prospectus has been made available in connection with the matters contained in this announcement and no such prospectus is required (in accordance with the Prospectus Directive (as defined below)) to be published.

The New Ordinary Shares to be issued pursuant Capital Raising will not be admitted to trading on any stock exchange other than the AIM market operated by the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, 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.

Information for Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of investors who meet the criteria of retail and professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Proposals. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Arden will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any

investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares pursuant to the Capital Raising.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

IMPORTANT NOTICES

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "**ANNOUNCEMENT**") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**"), QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(1)(e) OF DIRECTIVE 2003/71/EC AS AMENDED, INCLUDING BY THE 2010 PROSPECTUS DIRECTIVE AMENDING DIRECTIVE (DIRECTIVE 2010/73/EC) AND INCLUDING ANY RELEVANT IMPLEMENTING DIRECTIVE OR MEASURE IN ANY RELEVANT MEMBER STATE (THE "**PROSPECTUS DIRECTIVE**"); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS AS DEFINED IN SECTION 86 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**") WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(a) TO (d) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER; OR (3) PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

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THE NEW ORDINARY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE NEW ORDINARY SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE OF THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATIONS UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE NEW ORDINARY SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN,

THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

The distribution of this Announcement and/or the Placing and/or issue of the New Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Arden or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the New Ordinary Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such New Ordinary Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and Arden to inform themselves about and to observe any such restrictions.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia (the "**United States**" or the "**US**")), Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the New Ordinary Shares is being made in any such jurisdiction.

All offers of the New Ordinary Shares will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus. In the United Kingdom, this Announcement is being directed solely at persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply.

The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Capital Raising or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the New Ordinary Shares and the New Ordinary Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the New Ordinary Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

By participating in the Placing, each person who is invited to and who chooses to participate in the Placing (a "**Placee**") by making an oral and legally binding offer to acquire Placing Shares will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in the Appendix.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the New Ordinary Shares. Any investment decision to buy New Ordinary Shares in the Capital Raising must be made solely on the basis of information contained in the Circular in connection with the Capital Raising and the proposed admission of the Company's ordinary shares to trading on AIM, a market operated by the London Stock Exchange. Copies of the Circular are available from the Company's website at www.Pantheon.com.

This Announcement may contain "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its respective affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Arden is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Capital Raising and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Capital Raising and Admission and Arden will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Capital Raising or any other matters referred to in this Announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Arden or by any of its affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

No statement in this Announcement or in any previous announcement or in any previous presentation issued by the Company was or is intended to be a profit forecast or estimate, and no statement in this Announcement nor in any previous announcement or in any previous presentation issued by the Company should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

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This Announcement has been issued by, and is the sole responsibility, of the Company. No representation or warranty express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Arden or by any of its respective affiliates or agents as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

APPENDIX - TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR PLACEEES ONLY

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Arden is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing and Admission and Arden will not be responsible to anyone (including any Placees) other than the Company for providing

the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Arden or by any of its affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

No statement in this Announcement or in any previous announcement or in any previous presentation issued by the Company was or is intended to be a profit forecast or estimate, and no statement in this Announcement nor in any previous announcement or in any previous presentation issued by the Company should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

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EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, REGULATORY, TAX, BUSINESS AND RELATED ASPECTS OF A SUBSCRIPTION FOR PLACING SHARES.

A Circular explaining the background to and reasons for the Placing and containing the Notice of General Meeting is expected to be posted to shareholders following the close of the Bookbuilding Process. A copy of the Circular and Notice of General Meeting will thereafter be made available on the Company's website, www.Pantheonresources.com

Details of the Placing Agreement and the Placing Shares

The Company has today entered into the Placing Agreement with Arden. Pursuant to the Placing Agreement, Arden has, subject to the terms and conditions set out in the agreement, agreed to use reasonable endeavours, as agent of the Company, to procure subscribers for the Placing Shares pursuant to the Bookbuilding Process described in this Announcement and as set out in the Placing Agreement.

The Placing is conditional on the Placing Agreement becoming unconditional and not being terminated in accordance with its terms.

The Placing is not being underwritten.

The Placing Shares will, when issued, be subject to the articles of association of the Company, be credited as fully paid and rank *pari passu* in all respects with each other and with the New Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the New Ordinary Shares after Admission.

The Placing Shares will be issued free of any encumbrance, lien or other security interest.

Application for Admission

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. Subject to the satisfaction or waiver of the conditions of the Placing Agreement (the "**Conditions**"), it is expected that Admission will take place and dealings in the Placing Shares will commence on AIM on or around 8.00 a.m. on 10 January 2019.

Bookbuilding Process

Commencing today, Arden will be conducting a Bookbuilding Process to determine demand for participation in the Placing by Placees. This Announcement gives details of the terms and conditions of, and the mechanics of participation in, the Placing. However, Arden will be entitled to effect the Placing by such alternative method to the Bookbuilding Process as it may, after consultation with the Company, determine. No commissions will be paid by or to Placees in respect of any participation in the Placing or subscription for Placing Shares.

Participation in, and principal terms of, the Bookbuilding Process

Participation in the Placing is by invitation only and will only be available to persons who may lawfully be, and are, invited to participate by Arden. Arden and Arden Affiliates are entitled to participate as Placees in the Bookbuilding Process.

The Bookbuilding Process will establish the number of Placing Shares to be issued pursuant to the Placing.

The book will open with immediate effect. The Bookbuilding Process is expected to close not later than 4.30 p.m. today, but may be closed at such earlier or later time as Arden may, in its absolute discretion (after consultation with the Company), determine. A further announcement will be made following the close of the Bookbuilding Process detailing the number of Placing Shares to be subscribed for by the Placees at the Issue Price (the "**Placing Results Announcement**").

A bid in the Bookbuilding Process will be made on the terms and conditions in this Announcement and will be legally binding on the Placee on behalf of which it is made and, except with Arden's consent, will not be capable of variation or revocation after the close of the Bookbuilding Process.

A Placee who wishes to participate in the Bookbuilding Process should communicate its bid by telephone to its usual sales contact at Arden. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for at the Issue Price. If successful, Arden will re-contact and confirm orally to Placees following the close of the Bookbuilding Process the size of their respective allocations and a trade confirmation will be despatched as soon as possible thereafter. Arden's oral confirmation of the size of allocations and each Placee's oral commitments to accept the same will constitute an irrevocable legally binding agreement in favour of the Company and Arden pursuant to which each such Placee will be required to accept the number of Placing Shares allocated to the Placee at the Issue Price and otherwise on the terms and subject to the conditions set

out herein and in accordance with the Company's articles of association. Each Placee's allocation and commitment will be evidenced by a trade confirmation issued by Arden to such Placee. The terms of this Appendix will be deemed incorporated in that trade confirmation.

Arden reserves the right to scale back the number of Placing Shares to be subscribed by any Placee in the event that the Placing is oversubscribed. Arden also reserves the right not to accept offers to subscribe for Placing Shares or to accept such offers in part rather than in whole. The acceptance and, if applicable, scaling back of offers shall be at the absolute discretion of Arden after consultation with the Company.

Each Placee's obligations will be owed to the Company and to Arden. Following the oral confirmation referred to above, each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the Company and Arden, as agent of the Company, to pay to Arden (or as Arden may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares allocated to such Placee.

To the fullest extent permissible by law, neither Arden nor any Arden Affiliate, nor any person acting on their behalf shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of Arden, any Arden Affiliate nor any person acting on their behalf shall have any liability (including, to the extent legally permissible, any fiduciary duties), in respect of its conduct of the Bookbuilding Process or of such alternative method of effecting the Placing as Arden may determine.

All obligations of Arden under the Placing will be subject to fulfilment of the conditions referred to in this Announcement including without limitation those referred to below under "**Conditions of the Placing**".

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of Arden under the Placing Agreement are conditional, among other things, upon:

1. the performance by the Company of its obligations under the Placing Agreement to the extent that they fail to be performed prior to Admission;
2. the passing of the Resolutions by requisite majorities; and
3. Admission of the Placing Shares occurring not later than 8.00 a.m. on 10 January 2019 or such later time and/or date as Arden and the Company may agree (but in any event not later than 8.30 a.m. on 18 January 2019).

If (a) the Conditions of the Placing are not fulfilled (or to the extent permitted under the Placing Agreement waived by Arden), or (b) the Placing Agreement is terminated in the circumstances specified below, the Placing will lapse and each Placee's rights and obligations hereunder shall cease and determine at such time and no claim may be made by a Placee in respect thereof. None of Arden, any Arden Affiliate, the Company, nor any subsidiary of the Company, nor any branch, affiliate or associated undertaking of any such company nor any of their respective directors, officers and employees (each a "**Pantheon Affiliate**") shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition in the Placing Agreement or in respect of the Placing generally.

By participating in the Placing, each Placee agrees that Arden's rights and obligations in respect of the Placing terminate, inter alia, in the circumstances described below under "**Right to terminate under the Placing Agreement**".

Right to terminate under the Placing Agreement

Arden has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a regulatory requirement not being fulfilled or a breach of warranty by the Company

By participating in the Placing, each Placee agrees with Arden that the exercise by Arden of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Arden and that Arden need not make any reference to the Placees in this regard and that, to the fullest extent permitted by law, neither the Company, Arden, any Arden Affiliate nor any Pantheon Affiliate shall have any liability whatsoever to the Placees in connection with any such exercise or failure to so exercise.

No Prospectus

No offering document or prospectus has been or will be prepared in relation to the Placing and no such prospectus is required (in accordance with the Prospectus Directive) to be published or submitted to be approved by the FCA and Placees' commitments will be made solely on the basis of the information contained in this Announcement.

Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms to Arden and the Company that it has neither received nor relied on any information, representation, warranty or statement made by or on behalf of Arden (other than the amount of the relevant Placing participation in the oral confirmation given to Placees and the trade confirmation referred to below), any Arden Affiliate, any persons acting on its or their behalf or the Company or any Pantheon Affiliate and none of Arden, any Arden Affiliate, any persons acting on their behalf, the Company, any Pantheon Affiliate nor any persons acting on their behalf will be liable for the decision of any Placee to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons). By participating in the Placing, each Placee acknowledges to and agrees with Arden for itself and as agent for the Company that, except in relation to the information contained in this Announcement, it has relied on its own investigation of the business, financial or other position of the Company in deciding whether to participate in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and settlement

Settlement of transactions in the Placing Shares following Admission will take place within the CREST system, using the delivery versus payment mechanism, subject to certain exceptions. Arden reserves the right to require settlement for and delivery of the Placing Shares to Placees by such other means as Arden may deem necessary, including, without limitation, if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

The expected timetable for settlement will be as follows:

Trade Date	8 January 2019
Settlement Date	10 January 2019
ISIN Code	Gb00B125SX82
SEDOL	B125SX8
Deadline for input instruction into CREST	3.00 p.m. on 7 January 2019
CREST ID for Arden	601

Each Placee allocated Placing Shares in the Placing will be sent a trade confirmation stating the number of Placing Shares allocated to it, the Issue Price, the aggregate amount owed by such Placee to Arden and settlement instructions. Placees should settle against the Arden CREST ID shown above. It is expected that such trade confirmation will be despatched on the expected trade date shown above. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which it has in place with Arden.

It is expected that settlement will take place on the Settlement Date shown above on a delivery versus payment basis in accordance with the instructions set out in the trade confirmation unless otherwise notified by Arden.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the base rate of HSBC Bank Plc.

Each Placee is deemed to agree that if it does not comply with these obligations, Arden may sell any or all of the Placing Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for Arden's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, the Placee should ensure that the trade confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in the Placee's name or that of its nominee or in the name of any person for whom the Placee is contracting as agent or that of a nominee for such person, such Placing Shares will, subject as provided below, be so registered free from any liability to any levy, stamp duty or stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax is payable in respect of the issue of the Placing Shares, neither Arden nor the Company shall be responsible for the payment thereof. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations, warranties and terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read and understood this Announcement in its entirety (including this Appendix) and acknowledges that its participation in the Placing and the issue of the Placing Shares will be governed by the terms of this Announcement (including this Appendix);

2. acknowledges that no prospectus or offering document has been or will be prepared in connection with the Placing and it has not received and will not receive a prospectus or other offering document in connection with the Bookbuilding Process, the Placing or the Placing Shares;
3. agrees to indemnify on an after-tax basis and hold harmless each of the Company, Arden, Arden Affiliates and Pantheon Affiliates and any person acting on their behalf from any and all costs, losses, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Announcement and further agrees that the provisions of this Announcement shall survive after completion of the Placing;
4. acknowledges that the Placing Shares will be admitted to trading on AIM and the Company is therefore required to publish and has published certain business and financial information in accordance with the AIM Rules and MAR and other applicable laws and regulations (the "**Exchange Information**"), which includes certain business and financial and the Company's announcements and circulars published in the past 12 months, and that the Placee is able to obtain or access this Exchange Information without undue difficulty and is aware of the contents of the Exchange Information;
5. acknowledges that none of Arden, any Arden Affiliate or any person acting on their behalf has provided, and will not provide, it with any material or information regarding the Placing Shares or the Company; nor has it requested any of Arden, nor any Arden Affiliate nor any person acting on their behalf to provide it with any such material or information;
6. acknowledges that (i) none of Arden or any Arden Affiliate or any person acting on behalf of any of them is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of Arden and that Arden does not have any duties or responsibilities to it (or any person acting on behalf of a Placee) for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, agreements, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right, and (ii) neither it nor, as the case may be, its clients expect Arden to have any duties or responsibilities to it similar or comparable to the duties of "best execution" and "suitability" imposed by the Conduct of Business Sourcebook contained in the FCA's Handbook of Rules and Guidance, and that Arden is not acting for it or its clients, and that Arden will not be responsible to any person other than the Company for providing protections afforded to its clients;
7. acknowledges that the content of this Announcement is exclusively the responsibility of the Company and that none of Arden, nor any Arden Affiliate nor any person acting on their behalf will be responsible for or shall have any liability for any information, representation or statement relating to the Company contained in this Announcement or any information previously published by or on behalf of the Company and none of Arden, nor any Arden Affiliate nor any person acting on their behalf will be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing to subscribe for the Placing Shares is contained in this Announcement, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares, and that it has relied on its own investigation with respect to the Placing Shares and the Company in connection with

its decision to subscribe for the Placing Shares and acknowledges that it is not relying on any other information whatsoever and in particular it is not relying on any investigation that Arden, any Arden Affiliate or any person acting on their behalf may have conducted with respect to the Placing Shares or the Company and none of such persons has made any representations to it, express or implied, with respect thereto;

8. acknowledges: (i) it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares; (ii) that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing; (iii) it has had sufficient time to consider and conduct its own investigation in connection with its subscription for the Placing Shares, including all tax, legal and other economic considerations; and (iv) it has relied upon its own examination of, and due diligence on, the Company, and the terms of the Placing, including the merits and risks involved;
9. unless paragraph 10 applies, represents and warrants that it has neither received nor relied on any inside information for the purposes of MAR and section 56 of the Criminal Justice Act 1993 (**CJA**) in relation to the Company or its participation in the Placing;
10. it acknowledges and agrees that, if it has received any inside information (for the purpose of MAR and section 56 of the CJA) in relation to the Company and its securities in advance of the Placing, it has consented to receive inside information for the purposes of MAR and the CJA and it acknowledges that it was an insider or a person who has received a market sounding for the purpose of such legislation and it confirms that it has not: (a) dealt (or attempted to deal) in the securities of the Company (or cancelled or amended an order in relation thereto); (b) encouraged, recommended or induced another person to deal in the securities of the Company (or to cancel or amend an order in relation thereto); (c) unlawfully disclosed inside information to any person, in each case, prior to the information being made publicly available;
12. acknowledges that it is not entitled to rely on any information (including, without limitation, any information contained in any management presentation given in relation to the Placing) other than that contained in this Announcement (including this Appendix) and in any Exchange Information and represents and warrants that it has not relied on any representations relating to the Placing, the Placing Shares or the Company other than the information contained in this Announcement or in any Exchange Information;
13. acknowledges that: it has not relied on any information relating to the Company contained in any research reports prepared by Arden or any Arden Affiliate or any person acting on their behalf and understands that (i) none of Arden, nor any Arden Affiliate nor any person acting on their behalf has or shall have any liability for any public information relating to the Company or otherwise or any representation; (ii) none of Arden, nor any Arden Affiliate, nor any person acting on their behalf has or shall have any liability for any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of this Announcement or otherwise; and that (iii) none of Arden, nor any Arden Affiliate, nor any person acting on their behalf makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of this Announcement or otherwise;
14. represents and warrants that (i) it is permitted to acquire the Placing Shares for which it is subscribing under the laws and regulations of all relevant jurisdictions which apply to it; (ii) it has fully observed such laws and regulations and obtained all such governmental and other

guarantees and other consents and authorities which may be required or necessary in connection with its subscription for Placing Shares and its participation in the Placing and has complied with all other necessary formalities in connection therewith; (iii) it has all necessary capacity to commit to participation in the Placing and to perform its obligations in relation thereto and will honour such obligations; (iv) it has paid any issue, transfer or other taxes due in connection with its subscription for Placing Shares and its participation in the Placing in any territory; and (v) it has not taken any action which will or may result in the Company, Arden or any Arden Affiliate or Pantheon Affiliate or any person acting on their behalf being in breach of the legal and/or regulatory requirements of any territory in connection with the Placing;

15. represents and warrants that it understands that the Placing Shares have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States and are not being offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
16. represents and warrants that its acquisition of the Placing Shares has been or will be made in an "offshore transaction" as defined in and pursuant to Regulation S;
17. represents and warrants that it will not offer or sell, directly or indirectly, any of the Placing Shares in the United States except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
18. represents and warrants that, if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the European Economic Area which has implemented the Prospectus Directive other than "qualified investors" as defined in Article 2.1(e) of the Prospectus Directive, or in circumstances in which the prior consent of Arden has been given to such an offer or resale;
19. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to the public in any member state of the European Economic Area except in circumstances falling within Article 3(2) of the Prospectus Directive which do not result in any requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive;
20. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which it is permitted to do so pursuant to section 21 of FSMA;
21. represents and warrants that it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
22. represents and warrants that it has complied with its obligations; under the CJA and MAR, and, in connection with the laws of all relevant jurisdictions which apply to it, it has complied, and will fully comply, with all such laws (including where applicable, the Criminal Justice Act 1988, the Terrorism Act 2000, the Anti-Terrorism, Crime and Security Act 2001, the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2006, the Counter-Terrorism Act 2008 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations

2017) and, to the extent applicable, any related or similar rules, regulations of any body having jurisdiction in respect thereof and the Money Laundering Sourcebook of the FCA and that it is not a person: (a) with whom transactions are prohibited under the Foreign Corrupt Practices Act 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury; (b) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (c) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations ((i), (ii), (a) and (b), together, the "**Regulations**") and, if it is making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

23. if in the United Kingdom, represents and warrants that: (a) it is a person having professional experience in matters relating to investments who falls within the definition of "investment professionals" in Article 19(5) of the FPO, or (b) it is a person who falls within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations etc") of the FPO, and (c) it is a qualified investor as defined in section 86(7) of FSMA, being a person falling within Article 2.1(e)(i), (ii) and (iii) of the Prospectus Directive, and (d) it is person to whom this announcement may otherwise lawfully be communicated;
24. represents and warrants that its participation in the Placing would not give rise to an offer being required to be made by it or any person with whom it is acting in concert pursuant to Rule 9 of the City Code on Takeovers and Mergers;
25. undertakes that it (and any person acting on its behalf) will pay for the Placing Shares acquired by it in accordance with this Announcement and with any trade confirmation sent by Arden (or on its behalf) to it in respect of its allocation of Placing Shares and its participation in the Placing on the due time and date set out therein (or as otherwise notified by Arden) against delivery of such Placing Shares to it, failing which the relevant Placing Shares may be placed with other Placees or sold as Arden may, in its absolute discretion, determine and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;
26. acknowledges that none of Arden, nor any Arden Affiliate nor any person acting on their behalf is making any recommendations to it or advising it regarding the suitability or merits of any transaction it may enter into in connection with the Placing, and acknowledges that none of Arden, nor any Arden Affiliate nor any person acting on their behalf has any duties or responsibilities to it for providing advice in relation to the Placing or in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement or for the exercise or performance of any of Arden's rights and obligations thereunder, including any right to waive or vary any condition or exercise any termination right contained therein;
27. undertakes that (i) the person whom it specifies for registration as holder of the Placing Shares will be (a) the Placee or (b) the Placee's nominee, as the case may be, (ii) neither Arden nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement and (iii) the Placee and any person acting on its behalf agrees to acquire the Placing Shares on the basis that the Placing Shares will be allotted to the CREST stock account of Arden which will hold them as settlement agent as nominee for the Placee until settlement in accordance with its standing settlement instructions with payment for the

Placing Shares being made simultaneously upon receipt of the Placing Shares in the Placee's stock account on a delivery versus payment basis;

28. acknowledges that it irrevocably appoints any director of Arden as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable the Placing Shares allocated to it and agreed to be taken up by it under the Placing to be credited to the CREST stock account it has specified or for it to be registered as the holder of any of the Placing Shares allocated to it and agreed to be taken up by it under the Placing;
29. represents and warrants that it is not a resident of any Restricted Jurisdiction and acknowledges that the Placing Shares have not been and will not be registered nor will a prospectus be cleared or published in respect of the Placing Shares under the securities legislation of any Restricted Jurisdiction and, subject to certain exceptions, may not be offered, sold, taken up, renounced, delivered or transferred, directly or indirectly, within any Restricted Jurisdiction;
30. represents and warrants that any person who confirms to Arden on behalf of a Placee an agreement to subscribe for Placing Shares and/or who authorises Arden to notify the Placee's name to the Company's registrar, has authority to do so on behalf of the Placee;
31. acknowledges that the agreement to settle each Placee's acquisition of Placing Shares (and/or the acquisition of a person for whom it is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to an acquisition by it and/or such person direct from the Company of the Placing Shares in question. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer the Placing Shares into a clearance service. If there were any such arrangements, or the settlement related to other dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Arden will be responsible. If this is the case, the Placee should take its own advice and notify Arden accordingly;
32. acknowledges that when a Placee or any person acting on behalf of the Placee is dealing with Arden, any money held in an account with Arden on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA and that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated in accordance with the client money rules and will be used by Arden in the course of its business; and the Placee will rank only as a general creditor of Arden (as the case may be);
33. acknowledges and agrees that in order to ensure compliance with the Criminal Justice Act 1988, the Terrorism Act 2000, Anti-Terrorism, Crime and Security Act 2001, the Proceeds of Crime Act 2002 (as amended) the Terrorism Act 2006, the Counter-Terrorism Act 2008 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, and, to the extent applicable, any related or similar rules, regulations of any body having jurisdiction in respect thereof and the Money Laundering Sourcebook of the FCA, Arden (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to Arden or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at Arden's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at Arden's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity Arden (for itself and as agent on behalf of the Company) or the Company's registrars

have not received evidence satisfactory to them, Arden and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;

34. acknowledges and understands that the Company, Arden, and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements, undertakings and acknowledgements;
35. acknowledges that the basis of allocation will be determined by Arden at its absolute discretion and that the right is reserved to reject in whole or in part and/or scale back any participation in the Placing;
36. irrevocably authorises the Company and Arden to produce this Announcement pursuant to, in connection with, or as maybe required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein;
37. acknowledges and agrees that its commitment to subscribe for Placing Shares on the terms and conditions set out herein will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or Arden's conduct of the Placing;
38. acknowledges and agrees that time is of the essence as regards its obligations under this Appendix;
39. acknowledges and agrees that any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to Arden;
40. acknowledges and agrees that it will be bound by the terms of the Articles; and
41. acknowledges and agrees that these terms and conditions in this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire Placing Shares pursuant to the Placing and any non-contractual obligations arising out of or in connection with such agreements will be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the courts of England and Wales in relation to any claim, dispute or matter arising out of or in connection with any such agreements and any non-contractual obligations arising out of or in connection with such agreements, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Arden in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

The acknowledgements, agreements, undertakings, representations and warranties referred to above are given to each of the Company and Arden (for their own benefit and, where relevant, the benefit of any Arden Affiliate or Pantheon Affiliate and any person acting on their behalf) and are irrevocable.

No claim shall be made against the Company, Arden, any Arden Affiliate, any Pantheon Affiliate, or any other person acting on behalf of any of such persons by a Placee to recover any damage, cost, loss, charge or expense which it may suffer or incur by reason of or arising from or in connection with

the performance of its obligations hereunder or otherwise howsoever in connection with the Placing or Admission.

No UK stamp duty or stamp duty reserve tax should be payable to the extent that the Placing Shares are issued or transferred (as the case may be) into CREST to, or to the nominee of, a Placee who holds those shares beneficially (and not as agent or nominee for any other person) within the CREST system and registered in the name of such Placee or such Placee's nominee.

Any arrangements to issue or transfer the Placing Shares into a depositary receipts system or a clearance service or to hold the Placing Shares as agent or nominee of a person to whom a depositary receipt may be issued or who will hold the Placing Shares in a clearance service, or any arrangements subsequently to transfer the Placing Shares, may give rise to stamp duty and/or stamp duty reserve tax, for which neither the Company nor Arden will be responsible and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such stamp duty or stamp duty reserve tax undertakes to pay such stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Arden in the event that any of the Company or any Pantheon Affiliate or Arden or any Arden Affiliate has incurred any such liability to stamp duty or stamp duty reserve tax.

In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares.

References to time in this Announcement are to London time, unless otherwise stated. All times and dates in this Announcement may be subject to amendment. Arden shall notify the Placees and any person acting on behalf of the Placees of any such changes.

This Announcement has been issued by the Company and is the sole responsibility of the Company.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that Arden or any Arden Affiliate may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

The rights and remedies of Arden and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise or partial exercise of one will not prevent the exercise of others.

Each Placee may be asked to disclose in writing or orally to Arden and, if so, undertakes to provide:

- 1 if he is an individual, his nationality;
- 2 if he is a discretionary fund manager, the jurisdiction in which the funds are managed or owned; and
- 3 such other "know your client" information as Arden may reasonably request.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

Acquisition	the proposed acquisition by the Company of Great Bear Companies
Acquisition Agreement	the sale and purchase agreement between the Company and Great Bear in respect of Great Bear Companies
Admission	admission of the New Ordinary Shares of the Company to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules.
AIM	the market of that name operated by the London Stock Exchange.
AIM Rules	the AIM Rules for Companies and the AIM Rules for Nominated Advisers published by the London Stock Exchange from time to time.
AIM Rules for Companies	the rules for companies whose securities are admitted to trading on AIM published by the London Stock Exchange as amended from time to time
AIM Rules for Nominated Advisers	the rules for nominated advisers to companies whose securities are admitted to trading on AIM published by the London Stock Exchange as amended from time to time
Arden or Arden Partners	Arden Partners plc, the Company's nominated adviser and broker.
Arden Affiliate	any subsidiary of Arden, any branch or associated undertaking of Arden, any entity controlled by Arden (control for these purposes meaning the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of securities, by contract or agency or otherwise) or any of their respective directors, officers, employees, agents or advisers;
Articles	the articles of association of the Company.
B Shares	the convertible non-voting shares of £0.01 each in the capital of the Company to be constituted by and having the rights and restrictions attached as set out in the new articles of association of the Company proposed to be adopted pursuant to the Resolutions

Board	the board of directors of the Company from time to time.
Bookbuilding Process	the accelerated bookbuild process run by Arden to determine demand for participation in the Placing by potential Placees and the Issue Price;
Capital Raising	the Placing and the Subscription
CA 2006	the Companies Act 2006, as amended.
Circular	the circular expected to be published shortly following the completion of the Bookbuilding Process in respect of the Capital Raising and containing notice of the GM.
City Code	The city ode on Takeovers and Mergers
Consideration Shares	100,000,000 new Ordinary Shares and 115,234,570 non-voting B Shares to be issued to Great Bear pursuant to the Acquisition Agreement
Company or Pantheon	Pantheon Resources plc, incorporated and registered in England and Wales (with registration number 05385506), whose registered office is at 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR.
CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the holding and transfer of title to shares in uncertificated form.
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755) and any modification thereof or any regulations in substitution thereof for the time being in force.
Directors	the directors of the Company as at the date of this document.
DNR	State of Alaska, Department of Natural Resources
Euroclear	Euroclear UK & Ireland Limited, a company incorporated in England and Wales and the operator of CREST.
Enlarged Share Capital	the Existing Ordinary Share Capital, as enlarged by the issue of the New Ordinary Shares and non-voting B Shares

EU Relevant Persons	persons within a member state of the European Economic Area, who are Qualified Investors and “professional clients” or “eligible counterparties” within the meaning of Article 4(1)(11) and Article 24(2), (3) and (4), respectively, of Directive 2004/39/EC as implemented into national law of the relevant EEA state
Existing Ordinary Shares	the 237,486,555 Ordinary Shares in issue at the date of this announcement.
Farallon	Farallon Capital Management LLC
FCA	the Financial Conduct Authority of the United Kingdom.
Form of Proxy	the form of proxy for use by Shareholders at the General Meeting enclosed with the Circular and “ Forms of Proxy ” shall be construed accordingly
FPO	the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
FSMA	the Financial Services and Markets Act 2000, as amended.
General Meeting or GM	the general meeting of the Company expected to be held at the registered office of the Company at 10.00 a.m. on or around 9 January 2019.
Group	the Company and its subsidiaries from time to time including Great Bear Companies following completion of the Acquisition
Great Bear	Great Bear Petroleum Operating LLC
Great Bear Companies	Great Bear Ventures I LLC and Great Bear Ventures II LLC
Great Bear Shareholders	Great Bear Operating GP LLC, Great Bear Petroleum Holdings LLC, Alaska Great Bear Partners LLC and Ursa Major Holdings LLC
Issue Price	the price at which the Capital Raising Shares are to be allotted and issued pursuant to the Capital Raising as determined by the Bookbuilding Process;
London Stock Exchange	London Stock Exchange plc.
MAR	the Market Abuse Regulation (EU) No 596/2014 and all delegated regulations, technical statements and guidance relating thereto.

New Ordinary Shares	The Capital Raising Shares and the Consideration Shares
Notice of General Meeting	the notice convening the General Meeting set out at the end of this document
Ordinary Shares	ordinary shares of 1p each in the capital of the Company
Overseas Shareholder	holders of Existing Ordinary Shares who are neither resident in, nor have a registered address in, the UK.
Panel	the Panel on Takeovers and Mergers
Placees	subscribers for Placing Shares pursuant to the Bookbuilding Process
Placing	the proposed placing to institutional investors new Ordinary Shares by Arden on behalf of the Company pursuant to the Bookbuilding Process
Placing Agreement	the agreement dated 21 December 2018 between the Company and Arden relating to the Placing
Placing Shares	the number of new Ordinary Shares to be issued by the Company at the Issue Price pursuant to the Placing with the actual number set out in the Placing Results Announcement
Prospectus Directive	EU Prospectus Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) and includes any relevant implementing directive measure in any member state
Prospectus Rules	the Prospectus Rules (in accordance with section 73A(3) of FSMA) of the FCA.
Proposals	The Capital Raising and the Acquisition
Qualified Investors	as defined in section 86(7) of FSMA, being persons falling within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC)
Regulatory Information Service	has the same meaning as in the AIM Rules
Relationship Agreement	means the agreement to be entered into between the Company, Arden, Great Bear, an affiliate of Farallon and the Great Bear Shareholders
Resolutions	the resolutions to be proposed at the GM.

Restricted Jurisdiction	each and any of the United States of America, Australia, Canada, Japan, New Zealand, Russia and the Republic of South Africa.
Securities Act	the US Securities Act of 1933, as amended.
Shareholders or member	holders of existing Ordinary Shares in the Company
SPA	Management interest and purchase agreement between Great Bear and Pantheon Oil and Gas, LP
Subscribers	Subscribers for the Subscription Shares
Subscription	the proposed subscription by certain individuals and institutions of 66,130,864 new Ordinary Shares arranged by the Company pursuant to the Subscription Agreements
Subscription Agreements	the agreements between the Company and the Subscribers relating to the Subscription
Subscription Shares	up to 66,130,864 new Ordinary Shares to be issued by the Company at the Issue Price pursuant to the Subscription
subsidiary and subsidiary undertaking	have the meanings given to them by CA 2006.
The Code	the City Code on Takeovers and Mergers issued from time to time by or on behalf of the Panel
Transaction	the proposed Acquisition and the Capital Raising
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland.
UK Relevant Persons	persons in the UK, who have professional experience in matters relating to investments, being investment professionals as defined in Article 19(5) of the FPO, or are high net worth companies as defined in Article 49(2) of the FPO
uncertificated or in uncertificated form	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.
US or United States	the United States of America, its territories and possessions, any state of the United States of America and the district of Columbia and all other areas subject to its jurisdiction.

US Accredited Investors

persons in the United States (as defined under Regulation S of the Securities Act), who are “accredited investors” as defined in Rule 501 of Regulation D promulgated under the Securities Act

GLOSSARY

Bcf	Billion cubic feet
Choke	Manifold used to lower the pressure from the well head
Mcf/d	Million Cubic Feet per Day
Mmbl	Million Barrels (oil reserves)
Mmbo	Million Barrels of Oil
MMboe	Million Barrels of Oil Equivalent
P50	A 50% probability that a stated volume will be equalled or exceeded.
Working Interest	A percentage of ownership in an oil and gas lease granting its owner the right to explore, drill and produce oil and gas from a tract of property. Great Bear leases have royalty rates ranging from 12.50% to 16.6% and an overriding royalty interest of 1.61% on six of its leases.

Unless otherwise indicated, all references in this document to “**GBP**”, “**£**”, “**pounds sterling**”, “**pounds**”, “**sterling**”, “**pence**” or “**p**” are to the lawful currency of the United Kingdom and all references to “**\$**”, “**US\$**”, “**USD**” or “**US dollars**” are to the lawful currency of the United States.