



# AGM Presentation

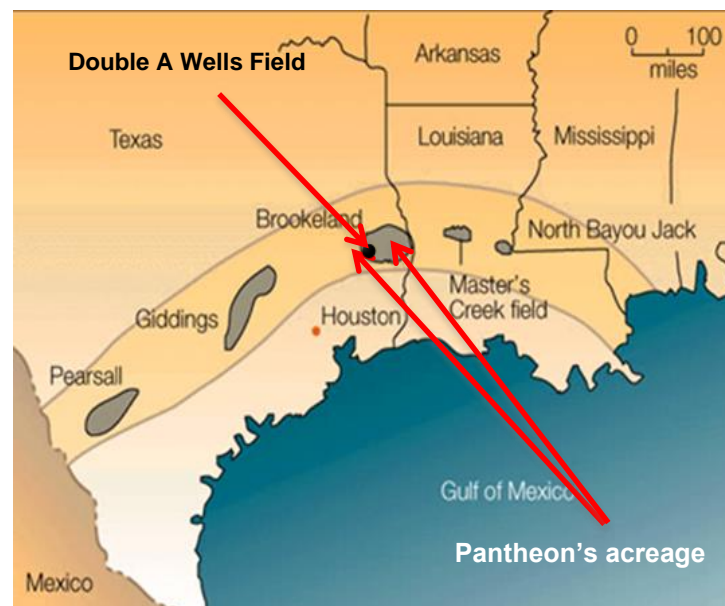
## December 2016

Your attention is drawn to the disclaimer and footnotes  
at the end of this presentation

# Company highlights

- Drilled four transformative conventional discovery wells in East Texas. VOBM#1, #2H, #3 (Polk County) + VOS#1 (Tyler County) to date
- Raised c.\$30m in oversubscribed fundraising in March 2016
- Acquired additional 8% working interest in Polk County prospects
- Board strengthened with addition of Phillip Gobe as Senior Independent NED
- Compelling projected economics: not shale, easy access to market, profitable at low commodity prices<sup>(1)</sup>
- Per well, capex and opex estimated to be below \$5.00/boe<sup>(1)</sup>
- Potential 159mmboe<sup>(5)</sup> recoverable P<sub>50</sub> prospective resource attributable to Pantheon from five identified prospects
- Acreage has the potential to greatly exceed pre-drill resource estimates<sup>(2)</sup>
- Strategy remains – drill enough wells to prove up acreage and sell

*Pantheon's acreage lies in East Texas*



# Primary target: Eagle Ford sandstone

## Unique understanding of the geology

- Three-year study with the independent State of Texas Bureau of Economic Geology at University of Texas, Austin
- Completed in 2014, and we believe the largest Eagle Ford Sandstone study <sup>(2)</sup>
- Analysed >2,500 individual wells, >2,600 miles of 2-D seismic, 119 sq miles of 3-D seismic
- Covered Double A Wells field, surrounding & regional acreage
- Original LP2 well has produced c.110 mbo & 4.1 bcfg to date <sup>(3)</sup>
- Four discovery wells drilled by Pantheon and Vision confirm understanding of the geological model

## Study conclusions

- Acreage has five lookalike prospects with very similar seismic signatures to analogue Double A Wells field
- Acreage has the potential to target 3+ Double A Wells fields on P50 estimates<sup>(5)</sup>
- Materially upgraded play, lowered risk profile & increased potential

# Overview of joint venture acreage\*

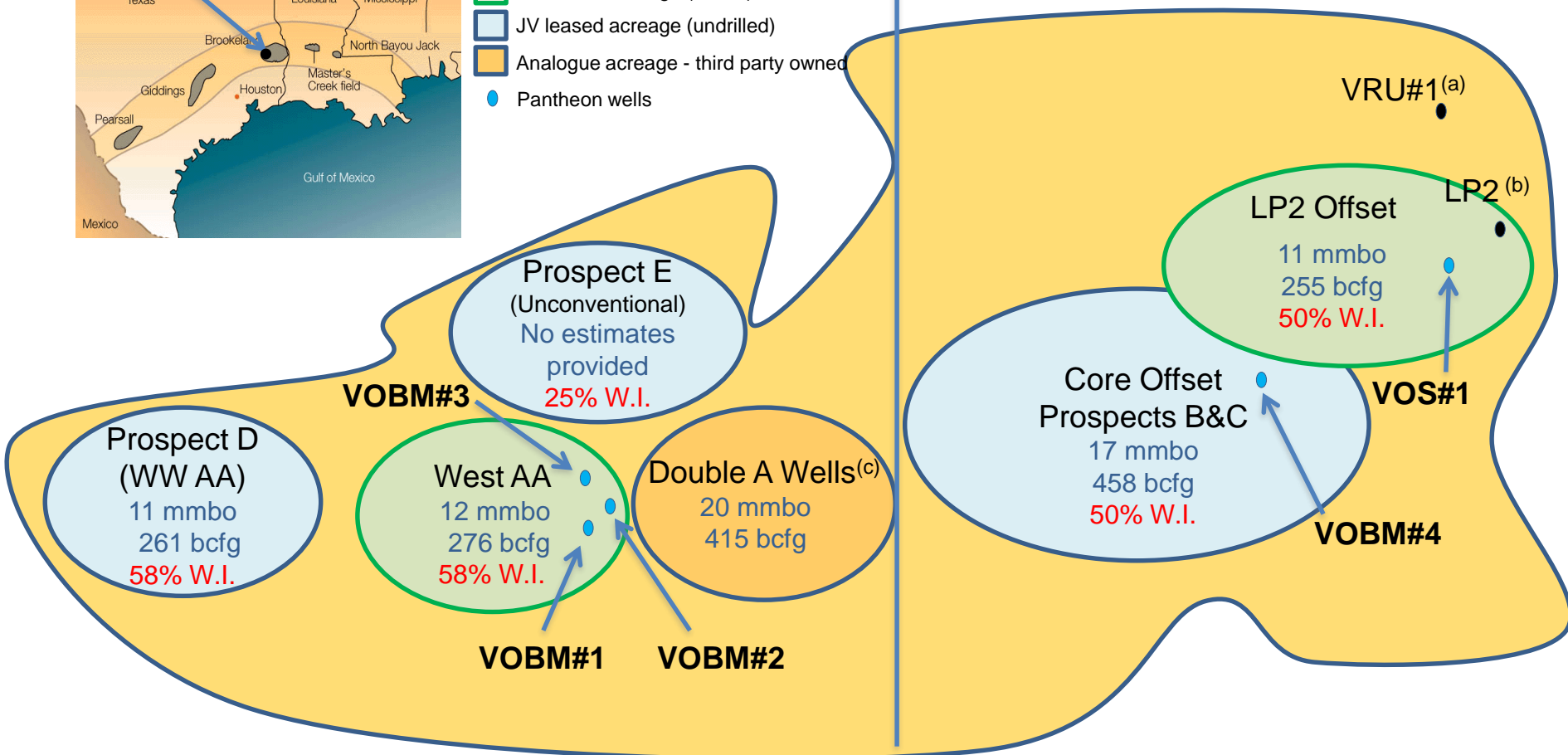
## JV Acreage



- JV leased acreage (drilled)
- JV leased acreage (undrilled)
- Analogue acreage - third party owned
- Pantheon wells

Polk County

Tyler County



\*For illustrative purposes only NOT to scale or direction · Prospective recoverable P50 resource estimates per prospect displayed

(a) Geologic success well. P&A for mechanical reasons

(c) Pantheon has no interest in Double A wells field

(b) Pantheon has 0% interest in the LP2 well

# Estimated activity programme

## Timeline (estimated)

	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17
VOBM#3, Appraisal / Development Well (Polk County)								
VOBM#4, Centre Basin Test, Appraisal Well (Tyler County)								
VOBM#2, Development Well Re-entry (Polk County)								
Contract rig for continued drilling								

## Near-term activity summary

- 3 well programme
  - 1 x Polk County vertical well (VOBM#3) – currently shut-in
  - 1 x Tyler County vertical well (VOBM#4) – large step out from VOS#1 discovery. Currently drilling
  - 1 x Polk County re-entry well – vertical re-entry of VOBM#2. Immediately after VOBM#4
- Procure and install gas processing prior to hook-up – targeting production Spring 2017
- Strategy is to drill while costs are low with no need to produce at full flow rates until commodity prices recover

# Drilling highlights - to date

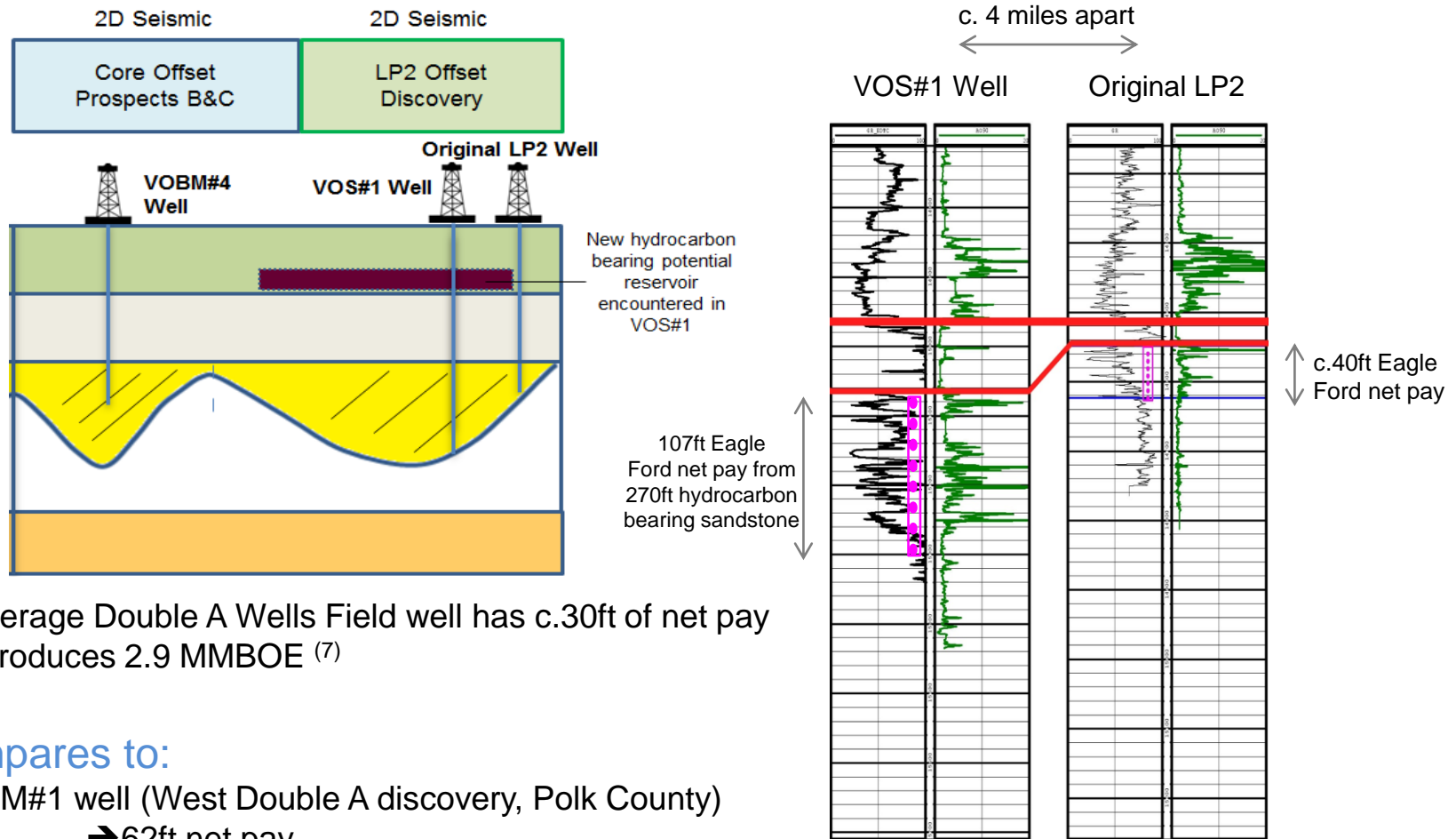
## Polk County

- VOBM#1: Commercial discovery tested c.1,500 boepd on 12/64<sup>th</sup> choke
- VOBM#2H: Suspended. To be re-entered and completed vertically after VOBM#4
- VOBM#3: Commercial well. Tested on 10/64<sup>th</sup> at rates from 244 boepd to 740 boepd. Currently shut in, awaiting production facilities

## Tyler County

- VOS#1: Commercial discovery: c.4.5 miles from LP2 well. Tested at 920 boepd after frac. Well was affected by possible skin damage from overbalanced oil based mud in bottom portion
- VOBM#4: Currently drilling. C 4.6 miles from VOS#1 well. 7 5/8" cross over liner set to c.14,300'

# Tyler County – well comparisons



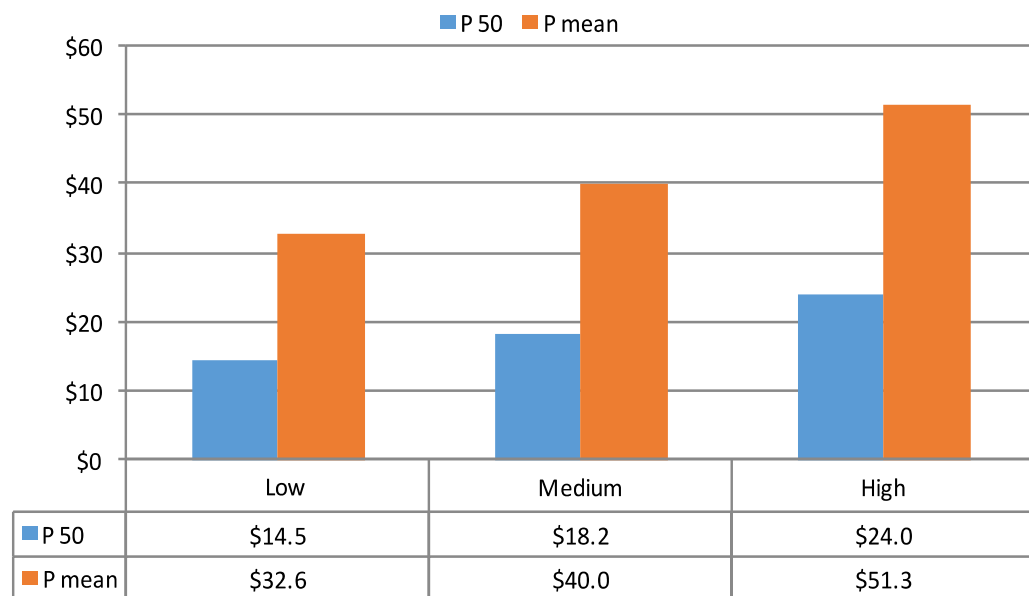
An average Double A Wells Field well has c.30ft of net pay and produces 2.9 MMBOE <sup>(7)</sup>

## Compares to:

- VOBM#1 well (West Double A discovery, Polk County)  
→ 62ft net pay
- VOS#1 well (LP2 Offset discovery, Tyler County)  
→ 107ft net pay

# Per modelled well economics (illustrative)<sup>(1)</sup>

Per well (100% Basis) NPVs (\$m)



## Assumptions

Low Case: \$40 oil + \$3.00 gas

Medium Case: \$50 oil + \$3.50 gas

High Case: \$60 oil + \$4.50 gas

CAPEX \$4m per Well

Medium case P50 well payback – 4 months

P 50 modelled well = 1.4Mmboe

P Mean modelled well = 3.0Mmboe



# Prospective recoverable P50 resource estimates

	Oil Mmbo	Gas Bcf	Combined Mmboe	Potential vertical wells
LP2 Offset Discovery	11	255	53	Up to 34
West AA Discovery <sup>(6)*</sup>	12	276	58	Up to 37
Core Offset Prospects B&C	17	458	93	Up to 61
Prospect D <sup>(6)*</sup>	11	261	54	Up to 35
Austin Chalk <sup>(1)</sup>	8	210	43	Up to 42
<b>TOTALS</b>	<b>59</b>	<b>1,460</b>	<b>301</b>	<b>Up to 209</b>

## Notes to table

■ These are estimates of the gross P50 prospective resource (100% working interest)

■ \*Pantheon has a 58% working interest in these prospects & a 50% working interest in the remainder

■ Natural gas converted to boe on ratio of 6mcf:1boe

## Source

Resource estimates prepared by Art Berman, a petroleum geologist with more than 30 years of experience. Estimates were prepared in September 2014 prior to drilling and are based on modelled vertical drilling. The Potential number of vertical wells is subject to change.



# Gas processing plant options

- Existing area gas plant
  - Easiest – however existing plants wanted excessive terms
- Build own skid mounted unit
  - Pad for VOBM#3 built to accommodate gas processing
  - Rights of way, metering station and pipeline tap completed
- Third party to build and operate unit
  - Requires some form of take or pay
  - Negotiations on-going
  - Estimated 60 days from contract signature to first production<sup>(8)</sup>

# Gas processing: Amine Plant



# Gas processing: Joule-Thomson Plant



# Gas processing: NGL Stabilizer



# Summary<sup>(2)(4)</sup>

- **Fully funded for drilling campaign**
  - Raised c.\$30m in March 2016 in oversubscribed fundraising
  - 30 June 2016 cash on hand: £17.9m
  - Plan for one or two rig drilling programme in 2017
- **First production anticipated Spring 2017**
- **Successful drilling programme**
  - Four out of four discoveries– two different counties, two different basins, on 2D and 3D seismic
  - Both fully tested wells (VOBM#1 and VOS#1) have potential to exceed pre-drill P50 estimates
  - Future wells to be drilled vertically
  - Potential to exceed 2014's 301mmboe P50 Prospective Resource estimate
- **Potential for substantial further growth and value**
  - Even in a depressed oil and gas market
  - Geared to geological and market upside
  - Low operating and capital costs
- **Strategy remains to drill enough wells to prove acreage ahead of sale**

# Footnotes to slides

- (1) Management estimate based on a modelled successful P50 well type. Per well data on asset basis, before corporate and land costs. Natural gas is converted to oil equivalent on the basis of 6:1 (mcf:boe)
- (2) Operator estimate
- (3) Pantheon has no interest in the LP2 well as it was discovered in 2004, prior to Pantheon's participation in the projects
- (4) Directors opinion based on a number of factors including, but not limited to, commodity prices, per well recoveries and number and timing of wells drilled
- (5) Estimates of recoverable resource prepared in 2014 by Art Berman an petroleum geologist with more than 30 of years experience in the sector
- (6) Blackstone retains a participation right of up to 25% of Pantheon's 58% WI in Prospect D and 25% of the newly acquired 8% WI in West Double A prospect
- (7) Robert J. Bunge, "Woodbine Formation Sandstone Reservoir Prediction and Variability, Polk & Tyler Counties, Texas", June 25, 2011. Representative sample of 15 wells out of circa 40 wells in Double A wells field
- (8) Third party gas processing company estimate

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