

August 23 2006

PANTHEON RESOURCES PLC

Successful Production Test Confirms Zebu Discovery as Commercial

The Board of Pantheon is pleased to confirm the company's first commercial natural gas field after successful production tests were conducted on the Zebu #1 well. A series of production tests were carried out on a zone from 4,279 to 4,290 feet using various choke sizes. A stabilised flow rate of 430 thousand cubic feet a day (mcf/d) was attained on a 8/64' choke with no fluids and at 1360 psi of pressure. The well is capable of flowing natural gas at significantly higher rates. Production will be restrained, however, in order optimally to produce the natural gas from this particular reservoir sequence.

Zebu #1 discovered gas in two geologic sections as reported on 10 August 2006. The production tests were carried out in the deeper Frio section which was considered the secondary target. The primary target, located at around 3,750 feet, has not been tested. The Joint Venture intends to produce natural gas from the secondary Frio zone until this has been depleted. It will then test and complete the primary target situated higher in the well bore.

It is envisaged that commercial production from Zebu #1 will commence within two weeks. Pantheon has a 9.375% interest in the Zebu #1 exploration well.

The cash flow that will be derived from Zebu, hopefully combined with other discoveries in this project area, should provide an earnings base for Pantheon. The company's profile will start to change from a pure explorer.

Pantheon's Chairman, Sue Graham said: *"To have a commercial discovery from the first well since incorporation is a great result. The Board is particularly happy that its first new venture since the IPO in April this year has delivered success. The discovery of natural gas in both the primary and secondary formations is excellent and provides confidence for other exploration ventures in the general vicinity. There are follow-up drilling opportunities and the Board and its technical advisers will now commence looking at these opportunities."*

Zebu #1 was the first well to be drilled on Project Wharton, a farm-in concluded with Everest Resource Company ("Everest") in June 2006 which initially covered three prospects. Apart from Zebu, Pantheon is paying 25% of the drilling costs to earn an 18.75% working interest in two other prospects; Dakota and Mohawk. Pantheon has recently concluded a farm-in agreement with Everest covering the Caddo prospect on

similar terms to those of Dakota and Mohawk. This had been under evaluation as part of the original farm-in.

Pantheon has several more wells planned in the Project Wharton area. The second well is scheduled to commence drilling in early September 2006 on either the Dakota or Mohawk prospect. Success with any of these exploration wells will lead to numerous additional drilling opportunities within surrounding acreage. There are another 13 prospects that could be pursued in the event of success which would represent a material reserve addition to Pantheon. These are also regarded as low risk with good early cash flow generation potential. These would not be subject to the farm-in terms and hence have a higher value.

In accordance with the AIM Rules, the information in this report has been reviewed and signed off by Mr Robert Rosenthal, (BSc Geology, MSc Geology), Technical Director at Pantheon Resources Plc, who has over 30 years relevant experience within the sector.

Contacts:

Pantheon Resources Plc

Sue Graham, Chairman +44 20 7379 0118

Oriel Securities Limited

Scott Richardson Brown +44 20 7710 7600