Company Number 05385506
Incorporated in England & Wales

PANTHEON RESOURCES PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

CONTENTS

DIRECTORS, SECRETARY AND ADVISERS

Directors	David Hobbs (Executive Chairman) John (Jay) Cheatham (Chief Executive Officer) Justin Hondris (Executive Director, Finance and Corporate Development) Robert (Bob) Rosenthal (Technical Director) Jeremy Brest (Non-Executive Director) Allegra Hosford Scheirer (Non-Executive Director) – *appointed July 2023*
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Company Number	05385506
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What better time than now to embark upon the development of major oil and gas projects in Alaska, where the past year has seen the pendulum swing back towards regulatory and political pragmatism. We have seen approval of the Willow development in the National Petroleum Reserve, Alaska (NPRA), Final Investment Decision (FID) on the Santos operated Pikka development and progress towards an economically viable natural gas export project (gas pipeline and LNG facility) from Alaska's North Slope ("ANS"), supported by US Federal Government guarantees. More specifically for Pantheon (the "Company" or the "Group"), the board believes that a successful demonstration of the commerciality of its Ahpun field has now been achieved, and that has, in turn, set the Company on a path to target first oil in early 2026. Netherland, Sewell & Associates' independent validation of nearly 1 billion barrels of contingent recoverable liquids from the Kodiak field and the sum of development resources on Alaska's North Slope underpins the board's belief in a renaissance for activity levels in the coming decade.

My colleague, Jay Cheatham, will address the operational outcomes of our activities, including the subsequent successful re-entry of the Alkaid-2 well. That last operation demonstrated the efficacy of our revised hydraulic frac design in the shelf break horizons, in which the majority of Ahpun's recoverable resources reside. He and the team deserve credit for the technical achievements since our last annual report and we are now set fair to capitalise on several years of highly encouraging exploration and appraisal success.

Today, we believe the Company has two world class development assets both advantageously located in close proximity to infrastructure. The first of these, Ahpun, is located immediately underneath and adjacent to both the Trans Alaska Pipeline System ("TAPS") and the Dalton highway, allowing for more rapid development horizons compared to most other North Slope projects and hence has become Pantheon's initial focus of development given the shorter timeframe to first production revenues. The second project, Kodiak, located immediately to the west of Ahpun, is believed to be among the largest onshore discoveries of the 21st century to date and has an independently certified 2C contingent resource of 962.5 million barrels of marketable liquids. Its Theta West-1 well was described by WoodMac as "*the fourth biggest discovery well globally in 2022*."

The past year has been transformational for Pantheon. Key points are:

- The Alkaid-2 long term production test was completed, supporting the case for economic viability of full field developments of both our Ahpun and Kodiak fields.
- We have refreshed the Board of Directors, bringing a new independent non executive director (NED) with deep experience in oil and gas, Allegra Hosford Scheirer, onboard. Allegra has a Ph.D. in marine geology and geophysics and has extensive knowledge of Alaska. Only last week we announced the appointment of another independent NED, Linda Havard, who is an experienced CFO with decades of financial experience. Linda will formally join the board in early January. I extend my heartfelt thanks to my predecessor, Phillip Gobe, for his leadership of the Board and the wise counsel and support he provided to colleagues. We would not be positioned as we are had it not been for his contribution to the growth of the Company.
- We secured $22 million of funding in May 2023 to ensure continued operation through to the end of 30 June 2024 and potentially beyond. Subsequently, we placed shares to fund Convertible Bond payments into long term, supportive hands that reduced the overhang of expected bond holder share sales.
- The Company has embarked on a revised strategy with an objective to deliver financial self-sufficiency and sustainable market recognition of a value of $5-$10 per barrel of recoverable resources by 2028. Success does not rely on a third-party buyout and, we believe, can be achieved while minimising value dilution for existing investors.
- Progress with this strategy underpins our confidence that 2024 will see Pantheon on a path to long term success.

However, the year has not lacked for challenges. The initial results from the Alkaid-2 tests disappointed the market and it was not until we completed the re-entry of the well to test what turned out to be a successful new frac design in 2H 2023 that we were able to validate our confidence in the commercial potential of the project. It is, therefore, instructive to consider how we arrived at this situation and what we have learned to ensure that we can deliver our strategic objective.

Having raised around $95 million in late 2021, the Company embarked on its most ambitious work programme to date. This involved re-entry of the Talitha-A well to test multiple horizons, drilling the Theta West-1 updip appraisal well and then drilling and conducting a long term production test in the Alkaid-2 well. This series of investments exceeded expectations in terms of the data provided and underpinned the Company's achievement of independent expert recognition of nearly 1 billion barrels of recoverable resources. However, costs were higher than anticipated and there were operational issues that cost time and money – a feature of being a small player in a frontier environment. The initial results of the Alkaid-2 well contributed to a weaker share price and a lessening of investor confidence. Since that time we have made great steps to restore credibility, including receipt of a report from SLB (formerly Schlumberger) which estimated 17.8 billion barrels of oil in place on our properties; an Independent Expert Report from Netherland Sewell & Associates estimating a 2C Contingent Resource of nearly 1 billion barrels of marketable liquids from our Kodiak project; and a successful re-entry of Alkaid-2 where an efficiently executed new frac design supported our confidence in the commerciality of the project.

The strategy refresh in the wake of these events involved strengthening the team, focusing on achieving the earliest possible cash flows, and concentrating only on those things that contribute to meeting our objectives of financial self-sufficiency and sustainable value demonstration, while ignoring distractions.

I am proud of the work that Jay and the team have done to strengthen the areas in which it was needed, particularly as we work with vigour towards delivering upon our objectives. Coupling the expanded capability with development of a programme at a scale will help ensure that Pantheon is better positioned to negotiate equipment and services on the North Slope. This supports our confidence in bringing well costs down to levels that underpin economic development of our projects at oil prices of $50/barrel ("bbl") and less. These calculations are based on reservoir characteristics and well performance revealed by the flow tests to date - in other words, they do not rely on any of the demonstrated improvement in reservoir quality measured in appraisal wells further west from the Dalton Highway and TAPS.

This robust economic development planning that supports the case for hundreds or even thousands of wells, underpins our confidence to enter into long term relationships with vendors and offtakers. There will be significant value leverage in "learning by doing" and building the know-how to optimise the development with an alliance of critical contractors for construction, drilling and completion, fracking and production services. Benchmarking the costs and allowing for expansion of their margins based on beating our cost targets to create a win-win, are expected to allow long term contracts to be secured without the normal service provider expenses of marketing and tendering. Pantheon is seeking to leverage access to potentially $10+ billion of potential service provider contracts over the life of the projects, to defer the cost burden through production start-up. Coupling this with potential financings arising from contracts with offtakers of both oil as well as gas as well as reserves-based lending, once a sufficient number of wells have been tied-in to production facilities, will minimise the requirement for further equity financing or the need to farm down the Company's 100% working interest in the two projects. Obviously in line with normal practice in oil and gas operations, the working interest is burdened by a royalty to the State of Alaska, which averages c.15% across the leaseholding. We are open to farm down transactions, however, only if the terms are more attractive than the alternatives in our base case operating plan, and visitors to our data room are aware of this.

We have made tremendous progress since the beginning of this current financial year and are approaching the remainder with conviction that we can deliver on our stated strategic objective of delivering sustainable market recognition of $5-$10 per barrel of 1C/1P recoverable resources by 2028 and without significant value dilution to our existing investors.

David Hobbs

Executive Chairman

18 December, 2023

Operationally, the 2023 financial year and for the period up until the time of writing has been an important one for Pantheon. We undertook two significant operations at Alkaid-2, received an Independent Expert Report on the newly named Kodiak Field, received a very large estimate of oil in place by SLB (previously Schlumberger) following their static and dynamic modelling work of our assets, and strengthened our team with the appointment of Tony Beilman as Senior VP Engineering.

Strategy
As outlined by David, a key component of our strategy is to be in production from the Ahpun project by the middle of 2026. As noted below, the results from Alkaid-2 both in the long-term production test in the horizontal well bore and in the test of the shallower shelf break horizons in the vertical well bore have provided confidence in our economic models. To reach first production requires an estimated c. $120 million in capital divided as follows:

- $20 million for engineering and a hot tap into TAPS – this process has commenced
- $20 million to upgrade the existing permanent production facility and add a refrigeration unit to extract condensate and natural gas liquids ("NGLs")
- $60 million for three production wells and the conversion of Alkaid-2 for injection of gas and water
- $20 million for three years of general and administrative ("G&A") expenses

As explained in the Chairman's statement, our financing strategy is to achieve this funding, whilst minimising shareholder dilution. We have plans in place and believe this is achievable.

Overview of operations
Alkaid-2 – initial operation
Alkaid-2 was spudded on 6 July 2022 and the pilot hole was completed on 29 July at a total measured depth of 8,950 feet ("ft") and total measured depth of c. 14,300 ft when including a lateral length of 5,300 ft. Alkaid-2 confirmed more than 1,400 ft of gross continuous oil-bearing strata throughout the section drilled below the regional top seal at 7,165 ft down to at least the 8,584 ft total vertical depth. The Alaska Oil and Gas Conservation Commission ("AOGCC") instructed us to stop drilling at 8,584 ft, despite not having reached the bottom of the Alkaid Deep section, to ensure a sufficient margin above the high pressure HRZ zone and a possible fault. Alkaid-2 confirmed the extension (all hydrocarbon bearing) of the Alkaid deep formation (300 ft deeper than at Alkaid-1) and the extension of the shallower shelf break horizons to the east of Alkaid-1 and across the Dalton Highway to the North. This extension of shallower, more permeable horizons to the northeast underneath the Dalton Highway offers major advantages for future commercialisation of Ahpun.

The Alkaid-2 lateral was fracked with 29 stages and c. 8 million pounds of sand. The well encountered sand blockages and following a clean out in the final 1,000ft (c. 20%) of the wellbore, and after a 90 day production test, the IP30 production rate was calculated at c. 505 barrels per day ("BPD") of marketable liquid hydrocarbons consisting of c. 180 BPD oil c.38-39º (degrees) API gravity, and c. 325 BPD of condensate and NGLs. This production was accompanied by c. 2,300 thousand cubic feet per day ("mcfd") of") natural gas, after shrinkage. The compositional mix of hydrocarbons encountered in this test differed from pre-drill expectations. Significant analysis has been undertaken since this result, including key data points obtained from a revised frac design in the subsequent re-entry of the well as outlined below, supporting the case for commercialization of the Ahpun field. The data supports a type curve for modelled wells with an IP30 rate (average production over the first 30 days) averaging 1,500 barrels of marketable liquids per day and an EUR (economic ultimate recovery) estimated at 1 million barrels of marketable liquids. A detailed analysis of this information was provided in the Company's announcement dated 21 November 2023.

The quantum of liquid and gas production flowing without artificial lift from Alkaid-2 demonstrates the good deliverability of the reservoir, which is a significant de-risking event for the Ahpun field development. When separated and included in the production stream, condensate and NGLs are estimated to achieve approximately 80-90% of ANS crude oil price (ANS crude typically trades at a premium to WTI oil) and the combination is expected to receive approximately. 90% of the value of ANS at Valdez.

Subsequent Operation at Alkaid-2

Pantheon reentered the Alkaid-2 well in late summer 2023 to test the previously untested, shallower shelf break horizons. The prior test of these zones in winter 2021 at the Talitha-A well was first suspended due to a blizzard and then the end of the drilling season. Because Alkaid-2 was in a location positioned to target the Alkaid Zone of Interest ("ZOI") as the primary target, it was in a poor location for the shallower horizons which contain the majority of Ahpun's recoverable resources. It is located on the northeast pinch out of the reservoir where it becomes more shaley and with poorer quality sand. Notwithstanding, a 200 ft section (c. 100 ft net pay) was encountered and this provided the opportunity to test the updated frac design (a limited number of perforations, finer sand, higher rates and lower sand concentrations) which delivered extremely promising results.

The Company's preliminary estimate of the efficiency of this revised frac is 50% of theoretical design performance and compares favourably with the calculated frac efficiency of c. 20% experienced in the Alkaid-2 operations in the deeper horizontal ZOI accumulation last year. This improvement was the result of several key changes to the frac design as described above, which allowed the frac to remain within the reservoir and confirmed the ability to achieve at least the planned for 2x improvement in frac efficiency from that achieved in the deeper Alkaid-2 test. This was a very important achievement for the Company.

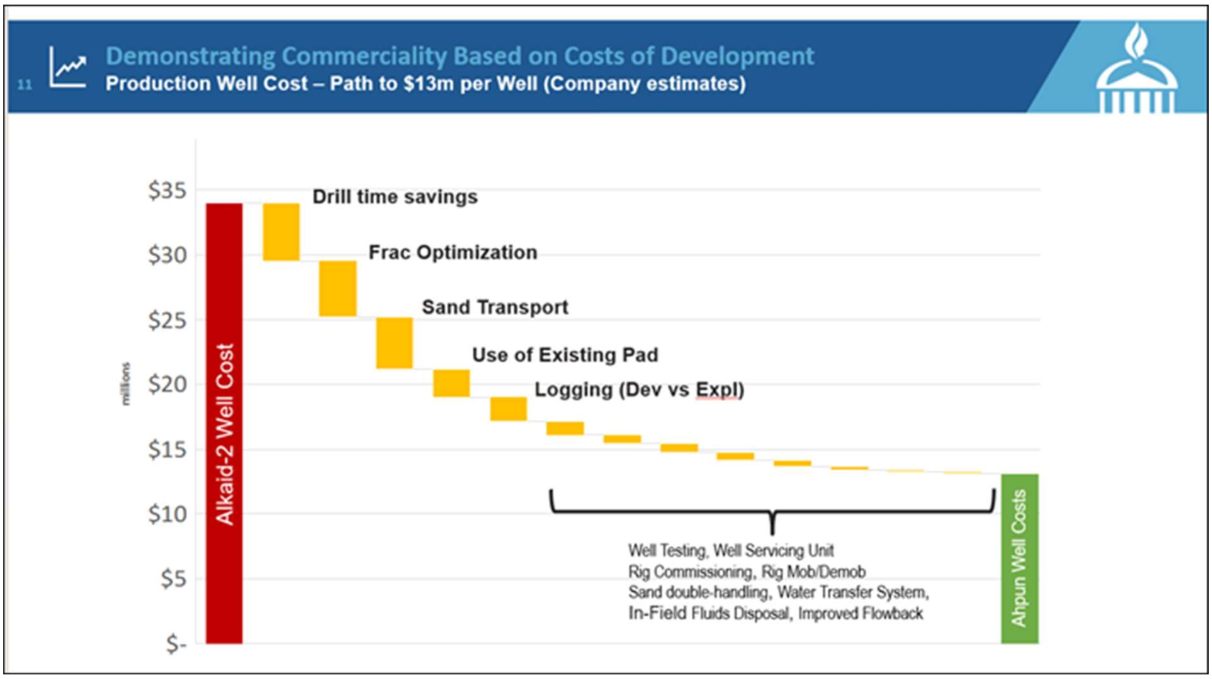
During the flow test, after recovery of approximately 60% of the frac fluids, the oil rate (separator liquids) ranged from more than 100 barrels of oil per day ("bopd") to 30 bopd, averaging 45 bopd over the five days during which oil was recovered. Water cuts were 90% initially, but declined over time as a larger share of the frac fluids was recovered. As highlighted before the operation, the flow rates themselves were not expected to be material because the objective was to limit drawdown in the initial flow back to limit gas flashing in the reservoir and it was only a single stage frac in the vertical wellbore. Encouragingly, the measured rate was higher than internal pre operation estimates.

Multiple fluid samples were gathered indicating a measured gas-oil ratio ("GOR") of 3,000 - 4,000 standard cubic feet per barrel ("scf/bbl") and an API gravity of 35-36°. This compares to 12,000 - 13,000 scf/bbl measured in the deeper Alkaid ZOI. This indicates success in limiting pressure drawdown and avoiding flashing gas in the reservoir. This is of great importance because all of the Company's development modelling is based upon the ZOI data which is far more conservative. A pressure monitoring device was placed in the well to allow pressure transient analysis, which will further help refine estimates of the efficiency of the improved frac. That device was retrieved 10 December and we expect the data from it over the coming weeks.

Well Development Costs

The Alkaid-2 well drilling and completion cost was c. $34 million including many one-time costs that would not be included in a production well. Once in development we estimate per well drilling and completion costs can be reduced to potentially $15 million or below, for a number of reasons, including; no pilot hole drilling, only logging while drilling versus a full suite of electric logs, sourcing sand locally to eliminate multiple handling and large transport costs, avoiding the extraordinary charge for chemicals handling, reduced mobilisation and demobilisation costs, etc.

The graphic below illustrates the Company's estimate of those savings:



Renaming of Pantheon Fields & Appointment of Senior VP Engineering

In order to simplify the potentially confusing nomenclature, Pantheon chose to restructure its naming conventions to move away from individual geological horizon designations for the fields to the areal field names Ahpun and Kodiak, named after Alaskan bears, reflecting unified project implementation.

The Kodiak Field (previously referred to as Theta West) contains all reservoirs between the Hue Shale and the HRZ shale. The recognised resources currently include the Lower Basin Floor Fan and will potentially include the Upper Basin Floor Fan once that has been more fully delineated. NSAI has produced an Independent Expert Report ("IER") detailed below recognising best estimate 2C Contingent Resources of 962 million barrels of marketable liquids (oil, condensate and NGLs). Pantheon has previously estimated these to contain more than 1.7 billion barrels of recoverable contingent resources and will seek to confirm these larger volumes through further appraisal to the North and West of the Theta West-1 well.

The Ahpun Field (named after a long term polar bear resident in the Anchorage Zoo) contains all reservoirs below the regional top seal down to the Hue Shale in the eastern portion of Pantheon's acreage, including the already granted Alkaid and Talitha Units. These reservoirs currently include the shelf break horizons, Alkaid Anomaly (ZOI) and the deeper extension of that anomaly encountered in the Alkaid-2 Pilot Hole. Ahpun is estimated to contain more than 481 million barrels of recoverable contingent resources in aggregate. This figure consists of management estimates of 404 million barrels in the shallower zones and 76.5 million barrels in the Alkaid Anomaly. No estimate has yet been provided for the as yet unspecified additional resources proved through deepening the Lowest Known Oil in the Alkaid-2 Pilot Hole. These additional resources will be included in the NSAI report due in the first half of 1H 2024. Furthermore, the Slope Fan horizons may be included in Ahpun resource estimates in due course, once further delineated.

Pantheon has appointed Tony Beilman, a petroleum engineer with over 40 years' experience in drilling, production, and completions, to the team. Tony's appointment significantly strengthens Pantheon's operational capability with his extensive expertise in completions in tight reservoirs involving horizontal, multi-stage fracked completions in the Permian Basin, Marcellus Shale and other unconventional reservoirs in North America. Tony was instrumental in the successful redesign of the Alkaid-2 frac.

Receipt of Reports

Pantheon received three very significant reports during the period and after from Netherland Sewell and Associates, ("NSAI"), SLB and AHS Baker Hughes.

NSAI Report

Pantheon received an Independent Expert Report (IER) prepared by NSAI on the Lower Basin Floor Fan reservoir of the Company's Kodiak project in Q3 2023. A summary of the resource estimate is outlined below.

Gross 100% Working Interest Contingent Resources

Resource Category	Oil (million bbls)	NGLs (million bbls)	Residual Gas (BCF)		Total Marketable Liquids* (million bbls)
Low Estimate (1C)	145.4	292.4	2,151.7		437.8
Best Estimate (2C)	314.6	647.9	4,465.2		962.5
High Estimate (3C)	647.8	1,366.4	8,822.7		2,014.2

** Pantheon addition of oil & NGLs*

This is a great achievement for the Company, documenting almost 1 billion barrels of 2C marketable liquids in the Kodiak Field. NSAI is now working on the Ahpun Field and we expect reports on the Ahpun field in the first half of 2024.

SLB Report

In a project spanning over 12 months, SLB, formerly known as Schlumberger, has completed a comprehensive reservoir model of Pantheon's 100% owned projects. This is not a formal 'Independent Experts Report' for the purposes of providing a resource estimate; rather it is an output the extensive reservoir modelling work that they have undertaken for the Company.

As announced on 8 December 2022, SLB estimated the reservoirs to contain 17.8bn barrels net oil in place. In the current phase of the project, SLB are working on recovery factors and reservoir performance. Pantheon has estimated a 10% recovery factor in its own modelling. The SLB Report outlined conclusions from a detailed reservoir modelling analysis commissioned by Pantheon and does not constitute a formal Independent Expert Report. The primary objective of the SLB analysis is to provide a development plan based on the dynamic model for analysis and forms a key component of the Company's data room, allowing potential farm-in partners to manipulate the modelled data to their needs.

The summary findings of reservoir modelling are:

Lease Area/Unit	Net Oil in Place (Billion barrels of oil) *
Alkaid Unit	1.67
Theta West Lease	10.9
Talitha Unit including SE SMD	5.26
Total	**17.8 billion barrels**

**P50 estimate*

SLB is now working with the dynamic model on a development scenario to yield recovery factors for both individual wells and full field for Ahpun. Results are expected in the first half of 2024 for the Ahpun Field.

Baker Hughes AHS Report on Kodiak

The key conclusions according to Baker Hughes AHS are outlined below.

Great Bear Pantheon's Theta West-1 (Kodiak) drilled a *"world-class petroleum system"* comprised of:

1) A 1,360 ft thick continuous column of oil-bearing cuttings. The actual length of the oil column is unquestionably greater than 1,360 ft, as the base of the analysed cuttings' oil column is the total depth ("TD") of the well, and the oil in the cuttings shows no sign of tapering off

2) High quality oil of 37-39^{o} API gravity

3) Abundant good quality reservoirs

Successful Bidding at State of Alaska's North Slope Areawide Lease Sales in November 2022 and December 2023

Pantheon was successful in the acquisition of approximately 40,000 acres in the State of Alaska's North Slope Areawide Lease Sale in late 2022. The new leases are strategically positioned in two areas contiguous or adjacent to the Company's current acreage on its north western boundary, covering the extension of the Kodiak field, and east, capturing the area adjacent to the junction of the Alkaid Unit and the Talitha Unit, in both Ahpun and Kodiak fields.

On December 13th, Pantheon was the successful bidder on 66,240 acres in the December 2023 lease sale, covering substantially all of the anticipated remaining conventional reservoir potential in the Kodiak Field, where the Company expects pay zone quality to improve as the reservoirs become shallower to the north and west of the existing leases. In addition, the leases covering the potential eastern extent of the Ahpun Field (including what is prognosed to be higher quality, shallower reservoirs) covers the resources that are assessed as economically developable using current technologies. The new acreage contains material resource potential and classification of the potentially recoverable resources will be determined in the coming months in consultation with NSAI and SLB.

Pantheon's lease acquisition strategy is now complete. These latest awards protect the development schedules for Ahpun and Kodiak by covering the full fields to be included in our requests for development consents from the State of Alaska. Our focus remains on the development of Ahpun with FID planned by the end of 2025 and appraisal of the full potential of Kodiak to support its FID in 2028.

Data Exchange with 88 Energy

Earlier this year, Pantheon entered into a well data exchange agreement with 88 Energy Limited ("88 Energy"), trading the data from Pantheon's Talitha-A well for 88 Energy's Hickory #1 well. This additional well penetration of discovered hydrocarbons, approximately 150 metres from Pantheon's southern lease boundary, is an important "well control" point providing Pantheon with valuable data, only 500 feet from our southern lease boundary at no cost and allows us to incorporate this into subsurface modelling of the various horizons. 88 Energy plans to test its Hickory #1 well during winter 2024.

Summary

The financial year ended 30 June 2023 was a very active time for the Company and we have a very busy time ahead. Our three primary outside consulting contractors; NSAI, SLB and AHS Baker Hughes, have contributed greatly to our understanding of the giant reservoirs in which Pantheon has 100% working interest. We successfully tested a 5,000 ft lateral in the Alkaid ZOI and completed the test of the shallower shelf break zones at Ahpun with a revised frac design confirming the ability to achieve at least 40% of theoretical efficiency; a material improvement on the original frac at Alkaid. As part of its strategy to gain sustainable market recognition of $5-$10 per barrel of recoverable resource, Pantheon is targeting first production from Ahpun through a hot tap into TAPS in 2026. We are committed to minimising dilution through prudent use of non equity based funding, on our pathway to financial self-sufficiency. NSAI confirmed Best Estimate (2C) Contingent Recoverable Resource of nearly 1 billion barrels of marketable liquids in Kodiak. We added to our management pool with Tony's hiring and strengthened our board of directors and we have a number of parties in the data room at present, assessing vendor financing and other opportunities. Although Pantheon is not planning a winter 2024 well there are several upcoming newsworthy events:

- 88 Energy test of Hickory #1, 500ft from Pantheon's southern border – winter 2024
- NSAI IER report on Contingent Resources at Ahpun – 1H 2024
- SLB development model with individual well and field development plans
- Results from Geomark and the pressure analysis on the re-entry and test of Alkaid-2
- Potential resource upgrades following the December 2023 lease auctions
- Funding progress

Pantheon's stated objective is to demonstrate sustainable market recognition of a value of $5-$10/bbl of recoverable resources by end of 2028. This will require targeting Final Investment Decision ("FID") on the Ahpun field by the end of 2025, bringing production to 20,000 barrels per day of marketable liquids into the TAPS main oil line, and applying the resultant cashflows to support the FID on the Kodiak field by the end of 2028. If we can achieve this objective, then the upside potential is meaningful for all shareholders.

Jay Cheatham

Chief Executive Officer

18 December, 2023

SECTION 172 STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct when making decisions. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company for its members in the long term. We explain in this annual report how the Board engages with stakeholders.

- The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006. Furthermore, the Directors have had refresher training with their Nominated Advisor ("NOMAD") of Director responsibilities in the application of AIM rules. This process encourages the Board to reflect on how the Company engages with its stakeholders and to identify opportunities for enhancement in the future and was considered at the Company's board meetings. As required, the Company's external lawyers and the Company Secretary can provide support to the Board to help ensure that sufficient consideration is given to issues relating to the matters set out in s172(1)(a)-(f).
- As part of its ongoing business, the Board regularly considers the Company's principal stakeholders and how it engages with them. This is achieved through information provided by management via Regulatory News Service announcements, Corporate Presentations, and Shareholder Meetings and teleconferences and also by direct engagement with stakeholders themselves.
- The Company aims to work responsibly with key identified stakeholders; shareholders, employees, consultants, suppliers, advisors, government bodies and local communities where exploration and production activities take place.
- Key Board decisions made in the year are set out below:

Significant events/decisions	Key s172 Stakeholders	Actions and Consequences affected
Advancement of geological understanding of the Alaskan assets	Shareholders, Employees, State of Alaska, and Business Relationships	• Following the success of the Theta West-1 well in 2022, the Company also hired third party expert consultants to undertake specialist analysis. In particular, the experts at AHS Baker Hughes undertook detailed 'Volatiles Analysis', confirmed the presence of continuous stacked oil-bearing reservoir zones over a 1,360-foot column and referred to Theta West in their September 2022 report as being a "*World Class Petroleum System.*" • The Board continued to refine its in-depth geological review of its Alaska North Slope assets. • In December 2022, SLB completed phase 1 of an extremely comprehensive project to prepare static and dynamic models of Pantheon's various reservoirs. They estimated that the Lower Basin Floor Fan complex of the Kodiak project alone had combined Net Oil in Place of 17.8 billion barrels of oil. • In 2022 the Company drilled and fracture stimulated the Alkaid-2 well and tested the primary target, the "ZOI". After encountering operational issues including sand blockages, the ZOI ultimately produced a combination of oil, condensate, NGLs and natural gas in quantities lower than pre drill estimates. After extensive analysis with 3rd party expert groups, the well was re-entered in Q3 2023 to test the shallower and independent SMD horizon. A new frac design was applied to great success, achieving efficiency rates estimated at c. 50% compared to the c. 20% efficiency estimated in the deeper ZOI and announced to the market earlier in 2023. Additionally, the well was brought on stream more slowly, minimising the flashing of gas near and in the wellbore as had occurred in the deeper ZOI, and thus achieved a far superior gas oil ratio. The knowledge gained has enabled the Group to make great optimisation gains in both completion and testing practices, which is common for the learning curve of new fields as successive wells are drilled and tested. • In Q3 2023, Netherland Sewell & Associates completed an Independent Expert Report on the Kodiak project, certifying a C2 Contingent Resource estimate of 962.5 million barrels of marketable liquids (oil, condensate & NGLs). • The consequences of these actions were to materially increase (i) the resource potential of the projects, (ii) 3rd party validation of the potential, which is beneficial for future project funding and development, (iii) knowledge of the reservoir and of engineering design, and (iv) confidence in development of both the Ahpun and Kodiak projects for the potential benefit of all stakeholders through an advancement of the project, potential for value and revenue creation to shareholders, employees and the State of Alaska.
Growth in Resource	Shareholders, employees, State of Alaska, Service Providers	• Pantheon successfully acquired key new leases in the 2022 lease sales which were formally awarded in mid 2023. The leases, which are all contiguous to the existing acreages and

		are covered with 3D seismic, contain material resource potential, increasing Pantheon's resource position. • In Q3 2023, Netherland Sewell & Associates certified a C2 Contingent Resource of 962.5 million barrels of marketable liquids for the Kodiak project. Such a certification benefits the Company, shareholders, the State of Alaska as well as suppliers of products and services given the validation supports further progress towards a potential future development. • In December 2023 Pantheon was the successful bidder for over 66,000 leased contiguous to the Company's existing projects, which management estimate to hav every significant resource potential.
Continued operation of staff share option plan	Employees, long term consultants	• The Company seeks to award an annual grant of share options to every staff member and permanent consultant pursuant to the staff share option scheme in order to attract and retain the highest quality staff, as well as to align interests with shareholders. Following the share price fall following the Alkaid-2 testing results, a decision was made that no share options be awarded during the year. • The consequence of this decision was to demonstrate an alignment to shareholders by not rewarding staff with an allocation for the 2022 year, following the significant share price decline in late 2022 and early 2023. This decision was made despite the considerable other achievements made during the year. Notwithstanding, the annual grant of share options to staff under the scheme is a considered a suitable mechanism to retain, attract and motivate staff to achieve successful outcomes and to provide a mechanism for staff to benefit from future share price outperformance, aligning staff interests with that of shareholders - and to help management retain and attract the highest quality personnel. • Since 2012, Pantheon had in place an executive management incentive plan linked to the booking of reserves. No benefit has ever been paid out to beneficiaries of this plan. Subsequent to year end, Pantheon terminated this reserves-based plan.
Increased interaction with key stakeholders	Shareholders, Employees, State of Alaska, Other Business Relationships	• The Board conducted a number of webinar style shareholder presentations outside of the traditional AGM, which all shareholders and non-shareholders were invited to attend, in addition to a number of video interviews. The Group also held a number of technical presentations with industry and with the State of Alaska, working with them to ensure they are fully appraised of the Group's intended plans. • Following the results at Alkaid-2 which resulted in a significant share price fall, the Company was active in communicating with shareholders to better educate them on analysis and interpretation of results. • The Group interacted with departments of the State of Alaska, presenting its geological findings from drilling activities, as well as working on planning, permitting and other necessary actions considered necessary for the advancement of the project.

		• The Group utilized the services of many local service providers for services such as rig hire, road construction etc, providing material service income for those companies. • The Group increased the level of granularity in stock exchange announcements and webinars, to allow stakeholders greater transparency of capital requirements and targeted project timelines. • The Directors announced its strategy to achieve sustainable market recognition of \$5 - \$10 per barrel of resource. • The consequence of these actions was to create a greater level of understanding of the Group's projects and intended activities and to strengthen relationships with stakeholders, as well as to clearly describe the ambitions in terms of targeted value recognition for shareholders.
Implementation of development strategy	Shareholders, Employees, State of Alaska, and Business Relationships	• After year end, Pantheon outlined in great detail its strategy to bring the Ahpun and Kodiak projects into development, targeting a final investment decision (FID) on Alkaid by end 2025 and Kodiak by end 2028. • Pantheon has commenced the process to apply for a hot-tap directly into the Trans Alaska Pipeline System (TAPS) to facilitate the sale of marketable liquids directly into the pipeline. • Pantheon outlined in stock exchange announcements its estimation of funding requirements to achieve key milestones. • Pantheon has commenced discussions with industry service providers as it seeks to secure non equity finance such as vendor finance, in an effort to minimise shareholder dilution. A number of industry parties have entered Pantheon's data room as part of this process. • The consequence of these actions has been to give shareholders and other stakeholders a clear visibility of Pantheon's intended project development timeframes, milestones and capital requirements as the Company seeks to move into development and production.
Increased Corporate Governance	Shareholders, employees, Business Relationships	• In the 2023 calendar year Pantheon appointed two new independent non-executive directors, David Hobbs and Allegra Hosford Scheirer. Following Mr Hobbs' accession to Executive Chairman, the Company announced the appointment of Linda Havard as a non-executive director, to be effective 1 January 2024. Linda has decades of experience in financial and CFO roles and will become the Chair of Audit Committee. Following this appointment Pantheon will have a total of 7 directors. • In preparation for a possible US stock market listing, Pantheon is in the process of appointing a specialist outsourced advisory to assist in bringing the Group up to Sarbanes-Oxley level compliance. • The consequence of such actions is to improve the level of governance and diversification which is to the benefit of all stakeholders.
Addition of incremental key	Shareholders, Employees, State of	• Pantheon was the successful bidder for c.66,000 new leases in the December 2023 lease sales. All acreages are

leases in the December 2023 lease sale	Alaska, and Business Relationships	immediately adjacent to existing leases and add material resource potential for shareholders.

Finally, to you, our shareholders, thank you for your trust, belief and support in what has been a year of great progress for our Company. Your continued support is appreciated by your Board, our wider internal team and our external advisory group.

This report was approved by the Board on 18th December, 2023 and signed on its behalf.

Jay Cheatham
Chief Executive Officer

18th December, 2023

Financial Review

The Group made a loss from Continuing Operations after Taxation for the financial year ended 30 June 2023 of $1.5m (2022:$13.95m). This result was impacted by the positive effect of the revaluation of the derivative component of the convertible bond of $11.3m (2022: $4.3m) and interest expense relating to the bond of $6.1m (2022:$4.6m). Additionally $3.1m of non cash share based payment charges impacted the result for the year (2022:$8.2m).

In December 2021, the Company completed a financing through the issuance of a $55m convertible bond and a $41m equity fundraising which was completed at a price £0.65 per share. The convertible bond is for a 5 year term, repayable in quarterly instalments in cash or shares (at the Company’s election) and carries an interest coupon of 4% per annum. At the date of this report, the principal outstanding on the Convertible Bond is $29.4m. A summary of the key bond terms is provided at note 16.

Impairments

In accordance with International Financial Reporting Standard 6 ‘Exploration for and Evaluation of Mineral Resources’ (IFRS 6), exploration and evaluation assets are reviewed for indicators of impairment. Should indicators of impairment be identified an impairment test is performed.

The Group has reviewed these assets for indications of impairment. The Directors have satisfied themselves that there are no indicators of impairment in the current year.

Capital Structure

The Company completed an equity placing in May 2023 and issued 104,179,027 new fully paid ordinary shares with a nominal value of £0.01, raising approximately $22m before expenses at an issue price of 17 pence per share.

Additionally, during the year, several issues of ordinary shares were made as follows:

- In September 2022, 2,800,813 ordinary shares were issued as settlement of the September 2022, quarterly Convertible Bond repayment of principal plus interest.
- In September 2022, 4,525,000 ordinary shares were issued as a result of the exercise of share options.
- In December 2022, 3,276,374 ordinary shares were issued as settlement of the December 2022, quarterly Convertible Bond repayment of principal plus interest.
- In February 2023, 290,000 ordinary shares were issued upon the vesting of RSUs.
- In March 2023, 9,257,328 ordinary shares were issued as settlement of the March 2023, quarterly Convertible Bond repayment of principal plus interest.
- In June 2023, 15,172,320 ordinary shares were issued as settlement of the June 2023, quarterly Convertible Bond repayment of principal plus interest.

A summary of movements in Capital Structure is provided at Note 19.

As at 30 June 2023 the total shares in issue was 907,206,399 (2022: 767,705,537).

During the year the Company did not grant share options to staff under the Discretionary Share Option Plan (the “Scheme”).

As at 30 June 2023 the Company had 4,803,921 warrants outstanding to acquire non-voting convertible shares. The warrants have an exercise price of £0.30 per share and expire on 30 September 2024. They are all fully vested. Non-voting shares are convertible into ordinary fully paid shares on a 1:1 basis.

As at 30 June 2023 the Company had 32,830,000 options outstanding to acquire ordinary shares (2022: 50,160,000) at an average exercise price of 0.477 pence per share. At year end all share options were fully vested.

Going concern

In June 2023 Pantheon communicated to shareholders via RNS and accompanying webinar, its aggressive strategy to target sustainable market recognition of a value of $5 - $10 per barrel of 1P/1C recoverable resource by the end of 2028, FID (Final Investment Decision) on the Ahpun project by the end of 2025, and FID on the Kodiak project by the end of 2028. Executing such a strategy requires significant additional capital, most of which the Company seeks to access through non equity sources. This process is presently underway. In November 2023 management provided a detailed stock exchange announcement accompanied by a webinar, which provided a detailed overview of the estimated $120 million capital required to achieve first production at Ahpun. This sum includes the drilling of 3 new wells, a hot tap into the TAPS pipeline, upgrading production facilities and 3 years of G&A. In accessing additional capital, Pantheon's goal is to achieve this in the least dilutive manner for shareholders, minimising the use of equity capital and by prioritising three main alternate funding sources: (i) Vendor financing (ii) Offtaker financing and (iii) Reserve based lending. Pantheon is presently in discussions with multiple parties with respect to these potential non-equity financing alternatives. The Group will need to secure additional funding for general working capital, to cover future liabilities as they fall due and to continue to progress its key projects as planned within the 12 months following the approval of these financial statements. As previously disclosed to shareholders, the Group seeks to secure such funding by Q2 or Q3 2024, in the least dilutive manner for shareholders, ideally through one of the non equity funding sourced discussed above. The auditors have made reference to this material uncertainty within their audit report.

In Q3 2023, Netherland Sewell & Associates estimated a 2C Contingent Resource for Pantheon's Kodiak project totalling 962.5 million barrels of marketable liquids. The directors believe the enormous size of the resource already appraised on Pantheon's acreage provides the potential for 1,000 - 2,000 wells. Whilst in absolute terms this would entails cumulative investment estimated in the billions of dollars over the lifetime of the project, Pantheon estimates c.$300 million on the Ahpun development (plus potentially $50 million of Kodiak appraisal costs) to be the maximum cumulative cash requirement. Once in full development, it is believed that production revenues have the potential to self finance a great majority of the development costs, as is typically the case in such developments.

The Group has no contractual obligation to drill any future wells and the only obligation is to suspend the Talitha-A test well, the estimated cost of which ($0.7m) has already been provided for in the financial accounts. Given the quality of the assets, the directors are confident in their ability to raise capital as and when required. Accordingly, the financial statements have been prepared on a going concern basis as documented further in Note 1.4.

Taxation

The Group incurred a loss for the year and has recorded a taxation charge of $0.14m (2022: $2.0m credit). As the tax credit is all reflected in the movement in deferred tax, the Directors have adjusted deferred tax liability by the same amount as the tax charge.

Risk assessment

The Group's oil and gas activities are subject to a variety of risks - both financial and operational - including, but not limited, to those outlined below. These and other risks have the potential to materially affect the financial performance of the Group. For additional detail see section Key Operational Risks and Uncertainties in the Strategic Report on page 20.

Liquidity Risk

As the Company did not generate material revenue from hydrocarbon production during the year (all production revenues were generated through a one-off long term production test which has since concluded), the primary liquidity risk is the ability to adequately source sufficient funding to meet the Company's working capital and operational requirements. Funding availability, and hence risk, within the capital markets remains uncertain as a result of continued global economic conditions, including the impact of increased interest rates and inflation.

Oil & Gas Price Risk

Future oil and gas sales revenues are subject to the volatility of the underlying commodity prices. Over the past few years the energy sector has been impacted by volatility in commodity prices, which may continue to impact the Group going forward. The Group did not engage in any commodity price hedging activity during the year.

Currency Risk

Most capital expenditures for the year (and future years), as well as possible future operational revenues from oil sales were or will be denominated in US dollars. The Group keeps the majority of its cash resources denominated in US dollars to minimise volatility and foreign currency risk. The Group did not engage in any foreign currency hedging activity during the year.

Credit Risk

The Group's credit risk is primarily attributable to its cash balances. The credit risk on liquid funds is limited because the third parties are large banks with a minimum investment grade credit rating. The Group's total credit risk amounts to the total of other receivables and cash and cash equivalents. The Group's does not have any joint venture partners.

Financial Instruments

At this stage of the Group's activities it has not been considered appropriate or necessary to enter into any derivatives strategies or hedging. Once the Group's production revenues increase substantially, such strategies will be reviewed on a more regular basis.

Justin Hondris
Director

18 December, 2023

Principal activity

The Company is registered in England and Wales, having been incorporated under the Companies Act with registered number 05385506 as a public company limited by shares. The principal activity of the Group is the investment in oil and gas exploration and development. The Group operates in the U.K. through its parent undertaking and in the U.S.A. through subsidiary companies, details of which are set out in Note 8 to these accounts.

Review of the Business and Key Performance Indicators

2022/2023 KPI	Measurement	2022/2023 Performance
Ensure business adequately funded	Fund raise where appropriate	The Company completed a $22m fundraising (gross proceeds) in May 2023 and serviced its convertible bond quarterly repayments (principal plus interest) during the financial year through the issuance of equity.
Ensure appropriate levels of governance	Continue to implement and improve governance standards	Durig the year, Allegra Hosford Scheirer was appointed as independent NED, and in December 2023 the board appointed Linda Havard as an additional independent NED, to be effective 1st January 2024. Upon this appointment, Pantheon will have 7 directors, 3 of which are non executive directors. The Company has also announced its intention to prepare for a possible USA stock market listing and as part of this has engaged with a 3rd party expert group to assist in bringing Pantheon's governance up to Sarbanes-Oxley standards.
Operational activity in Alaska	Drilling / testing wells	The Company undertook several operations during the year under review and beyond: Drilled and tested the Alkaid-2 zone of interest, encountering and flowing hydrocarbons through a long term production test. Subsequent to year end, the Akaid-2 well was re-entered and the independent and shallower SMD horizon was flow tested and an improved fracture stimulation methodology was successfully applied, demonstrating materially improved estimated frac efficiencies.
Third party expert validation of Alaskan assets	Receipt of third party expert reports	During the year, SLB (formerly Schlumberger) completed a large 'static model' project and provided a report estimating Oil in Place of 17.8 billion barrels. Subsequent to year end, Netherland Sewell & Associates published a report estimating a C2 Contingent Resource of 962.5 million barrels of marketable liquids (oil, condensate, NGLs). on the Kodiak project. NSAI will next prepare a resource estimate on the Ahpun project, targeted for completion in 1H 2024.
Pursue farmout or project development	Progress towards farmout or project development	Pantheon's understanding of the geological potential (and therefore potential value) of the assets has increased materially. The Company's revised strategy announced after year end involves the Company developing the assets on its own, with FID on the Ahpun project targeted for end 2025, and FID on the Kodiak project targeted by end 2028. In the meantime, the Company has commenced the process to work towards obtaining a hot-tap into the TAPS (Trans Alaska Pipeline System) pipeline to enable it to sell its future production directly into the pipeline. The Company isn't actively seeking a farmout partner at this time as it believes greater value can be achieved, given the disparity between market capitalisation and modelled project NPVs, by advancing the project on its own, ideally supported by vendor and other non-equity based sources of financing. As the project is advanced it is believed that far greater value can be achieved in a farmout as the Company seeks to become a 'price maker' rather than a 'price taker'.

Ensuring continued high-quality technical consultant relationships	Establish and maintain relationships with industry experts and review performance	Pantheon's technical team was further strengthened in the year under review. Experts such as eSeis, AHS Baker Hughes and others remain contracted. Pantheon also forged a strong relationship with SLB (formerly 'Schlumberger') for a very significant dynamic and static reservoir modelling project. Work with all these partners continues.
Continue to build and refine resource potential	Estimated resource	Pantheon successfully acquired c.40,000 new acres following the lease sales of December 2022, and in December 2023 was the successful bidder on a further c.66,000 acres, both with material resource potential. During the year the Company received an Independent Expert Report estimating a 2C contingent resource of 962.5 million barrels of marketable liquids. The Company expects a further report(s) in 2024.
Ensure close working relationship with the State of Alaska and regulators	Monitor interaction with regulators paying interest to approvals processes, timelines, and other procedural issues	The Group worked closely with the regulator, including detailed technical briefings discussing the analysis of well performance and interpretation of data sets, communication of future plans, concepts for long term production testing, flaring of gas, environmental matters, and future development aspirations. The Group continues to work with key stakeholders for the purposes of obtaining a hot-tap into the main pipeline.

Financial Position and Future Prospects

Please refer to the Director's Report for additional information on strategy and the business model.

Key operational risks and uncertainties

The Group may be unable to meet its lease obligations

In general, the Group's properties are held under oil and gas leases. The terms of the Group's leases often provide for yearly rental payments. Such yearly rentals may vary depending upon the particular lease and whether the Group has commenced activities in the property. If the Group defaults on its lease payments, its leases may be automatically terminated. If the Group is unable to make these payments and its leases are terminated, there could be a material adverse effect on its business, financial condition, and results of operations. Managing the lease position is of material importance for the Group, and management devote considerable time to lease management, budgeting and planning, consulting with the State of Alaska where required. The 27 new leases (comprising c.40,000 acres) successfully bid for in the November 2022 lease auctions are contiguous to existing leases, have a 10-year initial term, \$10 per acre rentals and low royalties of between 12.5% – 16.7% to the State of Alaska. In December 2023 Pantheon was the successful bidder for an additional c.66,000 acres with the same lease terms as outlined above. It is estimated that these leases will be formally awarded summer 2024 upon payment of the balance of the application monies.

The Group may be unable to renew and/or extend its leases once they expire

The Group's lease agreements are subject to termination following their initial term, unless extended by being included in a unit. Unitization recognizes that the Group has established, to the State's satisfaction, that the unit encompasses all or part of multiple potential hydrocarbon accumulations. Exploration and/or production activities are usually a prerequisite for unit formation. If the Group is unable to secure unitization for some leases on a timely basis, it may lose its rights in these properties when the initial term expires. In addition, given that it may not be able to renew certain leases unless it begins exploration or production activities within specific timeframes, the Group may be required to invest significant funds at timetables not optimal in order to meet the work requirements necessary to secure a unit. If the Group is unable to extend its leases beyond their primary term, there could be a material adverse effect on its business, financial condition and results of operations. To mitigate this risk, the Group has successfully applied for and been granted the Talitha and Alkaid Units that contain most of the Ahpun project and some of the Kodiak projects. Most of Pantheon's Kodiak project is now covered by leases of c.6 years or more of remaining initial term.

Our operations require the Group to obtain licensing, planning permissions and other consents

The development of its current and future leases may be dependent upon the receipt of planning permission from the appropriate local authorities, as well as other necessary consents, such as environmental permits and regulatory consents. Obtaining the necessary consents and approvals may be costly, and they may not be granted, may be withdrawn, or made subject to limitations and conditions. Certain permits and consents may also become contentious in the future, which may lead to these not being granted or withdrawn. The failure to gain such permissions or gain such permissions on terms or at a cost acceptable to the Group, may limit the Group in its ability to develop and extract value from its leases and could have a material adverse effect on its business, results of operations, financial conditions and prospects. To manage the risk, the Group employs experienced and qualified personnel, supplemented by consulting firms where appropriate, who have successfully advised on or obtained licenses and permits in the past, and who maintain working relationships with regulatory agencies.

Political conditions and government regulations could change and have a material effect on the Group's results or operations

Although political conditions in the Northern Slope Borough, the State of Alaska and the United States federal government are generally stable, changes may occur in their political, fiscal and/or legal systems, which might adversely affect the Group's operations. The Group's strategy has been formulated in light of the current regulatory environment and expected future changes to the regulatory regime. In 2021 the federal government adopted a more cautionary position with respect to operations on federal land, notably with respect to ConocoPhillips' Willow project, however through ongoing consultation a suitable compromise was reached allowing the project to be developed. Unlike the Willow project, Pantheon's projects are all located on state land, not federal land, and so have not been impacted by such politics.

Although the Group believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules, laws and regulations will not be enacted, or that existing or future rules and regulations will not be applied in a manner which could serve to limit or curtail exploration or development of the Group's business or have an otherwise negative impact on its activities. Amendments to existing rules, laws and regulations governing the Group's operations and activities, or increases in or more stringent enforcement, implementation or interpretation thereof, could have a material adverse impact on the Group's business, results of operations and financial condition.

Future legal proceedings could adversely affect the Group's business, results of operations or financial condition

The Group may face legal proceedings that may result in the Group having to pay material damages and/or other remedies. While the Group would assess the merits of each legal proceeding and defend the Group accordingly, it may be required to incur significant expenses or devote significant resources to defend against such legal proceedings. In addition, legal proceedings are also difficult to predict, which may force the Group to enter into settlement arrangements even in the absence of any culpability from its part.

Furthermore, the adverse publicity surrounding legal proceedings may negatively affect the Group's relation with local communities, government, and non-government organizations, which could also impact the Group's activities. As a result, legal proceedings could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. To manage this risk the Group consults legal counsel when it faces potential legal proceedings. The board and management consult legal counsel when conducting activities or entering into agreements that are viewed to have the potential to give rise to material legal risks.

Failure to manage relationships with local communities, environmental groups and non-government organizations could adversely affect the Group's future growth potential

The activities of oil and gas companies often face scrutiny from the public and receive negative publicity. Although the Group's operations are not located in or near large communities, the Group's ability to further expand its operation may be hindered by communities that may regard oil and gas activities as detrimental to their environmental, economic or social circumstances. Furthermore, oil and gas companies are also increasingly facing scrutiny by environmental groups regarding the effect operations may have on the animal life in the region. Negative reaction to its operations could have a material adverse impact on the cost, profitability, ability to finance, or even the viability of an operation. Such events could give rise to material reputational damage.

These disputes are not always predictable and may cause disruption to projects or operations. Failure to manage relationships with local communities, environmental groups and non-governmental organisations may adversely affect the Group's reputation, as well as its ability to commence production projects in certain locations, which could in turn affect its long-term prospects and the Group's business, financial condition and results of operations. The Group’s current leased acreage is not in the immediate vicinity of any local community. To manage this risk the Group ensures it conducts operations in a legal and responsible manner and complies with rules and regulations.

Any change to government regulation/administrative practices may have a negative impact on the Group's ability to operate and its future profitability

The business of oil and gas exploration and development is subject to substantial regulation under federal, state, local laws relating to the exploration for and the development of oil and gas resources, as well as the marketing, pricing, taxation, and transportation of oil and gas and related products and other matters. Amendments to current laws and regulations governing operations and activities of oil and gas exploration and development operations could have a material adverse impact on the Group's business. In addition, there can be no assurance that tax laws, royalty regulations and government incentive programs related to the Group's oil and gas properties and the oil and gas industry generally, will not be changed in a manner which may adversely affect the Group's prospects and cause delays, inability to explore and develop or abandonment of these interests.

Furthermore, permits, leases, licenses and approvals are required from a variety of regulatory authorities at various stages of exploration and development. There can be no assurance that the various government permits, leases, licenses and approvals sought will be granted in respect of the Group's activities or, if granted, will not be cancelled, or will be renewed upon expiry. There is no assurance that such permits, leases, licenses and approvals will not contain terms and provisions which may adversely affect the Group's exploration and development activities. If any of the forgoing were to occur, it could have a material adverse effect on the Group's business, financial condition and results of operations. To manage the risk, the Group employs experienced personnel and contractors who have successfully obtained licenses and permits in the past, and who maintain working relationships with regulatory agencies and monitor changes that could impact the Group.

By order of the board.

Justin Hondris
Director

18 December, 2023

The Directors present their report together with the audited accounts of Pantheon Resources plc ("Pantheon" or the "Company") and its subsidiary undertakings (together the "Group") for the year ended 30 June 2023.

Results

The Group results for the period are set out on page 42. The Directors do not propose to recommend any distribution by way of a dividend for the year ended 30 June 2023.

Future Developments

As explained in the CEO and Chairman's reports, the Group announced a revised strategy in late summer 2023, where it outlined its goal of achieving FID by end 2025 on the Ahpun project and by end 2028 on the Kodiak project. The Group also announced that it was considering a listing or dual listing on a USA stock exchange, possibly NYSE or NASDAQ, and/or was also considering the merits of a listing on the main board of the London Stock Exchange as part of its strategic planning. This work is ongoing. The Group also announced it had commenced the process of working towards a hot-tap into the Trans Alaska Pipeline System to allow the sale of future production directly into the pipeline, and that it was currently maturing possible vendor financing discussions as part of its objective to fund the operations and development in the least dilutive manner to shareholders.

Information to shareholders – website

The Group maintains its own website (www.pantheonresources.com) to facilitate provision of information to external stakeholders and potential investors and to comply with Rule 26 of the AIM Rules for Companies.

Group structure and changes in share capital

Details of the Group structure and the Company's share capital during the period are set out in Notes 8 and 18 to these accounts.

Directors

The Directors who served at any time during the year were:

Name	Role
Phillip Gobe	Non-Executive Chairman – retired 8 June 2023
John Cheatham	Chief Executive Officer
David Hobbs	Non-Executive Director, then Executive Chairman
Justin Hondris	Director, Finance & Corporate Development
Allegra Hosford Scheirer	Non-Executive Director – appointed 3 July, 2023
Robert Rosenthal	Technical Director
Jeremy Brest	Non-Executive Director

Directors' interests

The beneficial and non-beneficial interests in the Company's shares of the Directors and their families were as follows:

Name	Number of Ordinary shares of £0.01 30 June 2023
Phillip Gobe (retired 8 June 2023)	849,350
John Cheatham	4,235,346
David Hobbs	1,717,229
Justin Hondris(1)	1,844,753
Allegra Hosford Scheirer(2)	Nil
Robert Rosenthal(3)	1,353,758
Jeremy Brest(4)	1,379,703

(1) Some of these ordinary shares are beneficially owned by the spouse of J Hondris.

(2) Appointed July 2023.

(3) In addition to Mr. Rosenthal's direct holding, he also holds an indirect interest in approximately 553,000 shares of PANR through an approximate 2.8% interest in Ursa Major Holdings LLC ("UMH"). UMH holds approximately 19.8 million ordinary shares.

(4) At the year end, Mr Brest does not have a direct interest in Pantheon and has an indirect interest in the Company as described below:

Mr Brest's interest results from the direct and indirect holding of Pantheon by Westman Management Limited ("Westman"), of which Mr Brest is the sole director. Westman holds 1,379,703 ordinary shares of Pantheon and an indirect interest in approximately 1 million shares of PANR through an approximate 5% interest in Ursa Major Holdings LLC ("UMH"). UMH holds approximately 19.8 million ordinary shares.

Share options and restricted stock units

The Directors held the following share options for Ordinary shares of £0.01, at the beginning and end of the year:

Director	As at 30 June 2022[1]	Granted during the year[2]	Exercised during the year	As at 30 June 2023
Phillip Gobe [3]	-	-	-	-
John Cheatham	11,360,000	-	(1,300,000)	10,060,000
Justin Hondris	10,340,000	-	(2,000,000)	8,340,000
Robert Rosenthal	6,975,000	-	(900,000)-	6,075,000
Jeremy Brest	1,500,000	-	-	1,500,000

1. Comprising a combination of previously vested share options granted in 2014, 2020, 2021 and 2022.
2. No share options were granted during the year.
3. Phillip Gobe (retired) was previously granted 290,000 Restricted Stock Units ("RSUs) which vested to him in early February 2023 and converted into ordinary shares on a 1:1 basis. Mr Gobe was never granted share options.

Report on Directors' remuneration and service contracts

The service contracts of all the Directors are subject to a six-month termination period.

Directors' remuneration

Director	Fees/basic salary (US$)	Pension Contributions (US$)	Health Insurance (US$)	2023 Total (US$)	2022 Total (US$)
D Hobbs	11,365	-	-	11,365	-
J Cheatham	525,163	-		525,163	527,703
J Hondris	421,312	21,087	6,521	448,920	675,871
J Brest	39,931	-	-	39,931	43,703
P Gobe	114,931	-	-	114,931	123,703
R Rosenthal	372,389	-	-	372,389	255,707
Total	1,485,092	21,087	6,521	1,512,700	1,626,687

Director incentive scheme

In November, 2023, the Company terminated the 2012 short-term executive director incentive scheme (the "Reserve-based Scheme"), pursuant to which an incentive bonus would accrue to participants in the scheme upon the booking of reserves. Prior to the termination of the Reserve-based Scheme, the Group had never since inception issued any awards under it.

Share Option Plan

The Company has in place a Share Option Plan (the "Scheme") for the long term benefit of all staff and permanent consultants, designed to incentivise staff for outperformance, and as a tool to attract and retain best quality personnel. No share options have been awarded under the scheme since January 2022.

Any profits from the ultimate exercise and profitable sale of share options is subject to full income tax (not capital gains tax) for the beneficiary.

Subsequent events

Details of subsequent events can be found at Note 32.

Substantial shareholders

The Company has been notified, in accordance with Chapter 5 of the FCA Disclosure and Transparency Rules, of the under noted interests in its ordinary shares as at 12 December 2023:

Shareholder	Ordinary Shares	% of Ordinary shares
Vidacos Nominees Limited	100,092,007	10.89
Lynchwood Nominees Limited	97,820,490	10.64
Vidacos Nominees Limited	57,155,967	6.22
Interactive Brokers Llc	49,544,996	5.39
Vidacos Nominees Limited	35,405,090	3.85
Interactive Brokers Llc	31,614,654	3.44
Hargreaves Lansdown (Nominees) Limited	31,549,508	3.43
Vidacos Nominees Limited	29,804,392	3.24
Interactive Investor Services Nominees Limited	28,803,074	3.13

Political and charitable contributions

There were no political or charitable contributions during the year.

CORPORATE GOVERNANCE STATEMENT

The Company has adopted the Quoted Companies Alliance Corporate Governance Code 2018 (the "QCA Code"). This statement sets out how the Company complies with the 10 principles of the QCA Code.

The Board recognises the principles of the QCA Corporate Governance Code, which focus on the medium to long term value for shareholders, without stifling the entrepreneurial spirit in which small to medium sized Companies such as Pantheon have been created. As the Group grows, it is making a concerted effort to further improve governance. The Company sets out below an update on its compliance with the QCA Code.

The QCA Code outlines 10 core principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles. The Company has adopted a share dealing code for the Board and employees of the Company.

PANTHEON RESOURCES QCA CORPORATE GOVERNANCE COMPLIANCE

STRATEGY & BUSINESS MODEL

Pantheon's strategy is to focus on hydrocarbon exploration, appraisal and production, onshore USA, in a region of low sovereign risk where its specialist expertise lies. Pantheon has structured a lean organization that is focused on maximising the potential returns to shareholders through carefully targeted exploration, appraisal and development activities in established and highly prospective areas underpinned by detailed geological analysis. Where appropriate, the Group will also consider undertaking value accretive acquisitions or divestitures of assets following careful analysis and, as appropriate, shareholder engagement. The Group, as appropriate, uses a combination of in-house expertise and external consultants to manage operations.

Pantheon has historically sought to carefully manage corporate overhead costs, whilst balancing the need to hire and retain the best personnel and advisors to mitigate operational risks and maximise the potential returns to shareholders in the event of success. Given the current scale of the Group, which continues to grow, corporate and operating costs are monitored by management to ensure appropriate levels of spending. In line with the Group's stated strategy to advance to FID on its Ahpun and Kodiak projects, it is anticipated that it will recruit additional personnel going forward.

During the year, the Board of Directors participated in a weekly conference call, during which they discuss, amongst other items, the strategic direction and operational status of the Group, and as a result any significant deviation or change, should such occur, will be highlighted to the Board promptly. The Board has also met in person, four times in 2023 for detailed board and strategy sessions running for a minimum of two days.

UNDERSTANDING AND MEETING SHAREHOLDER NEEDS AND EXPECTATIONS

Group progress on achieving its key targets are regularly communicated to investors through stock exchange announcements which can be found under the 'Stock Exchange Announcements' section of the Company website. The Company retains the services of a corporate communications firm who actively engages with the press, investors, analysts, and to a limited extent, with social media. The Group also retains a Corporate Broker and NOMAD, to ensure compliance with stock exchange regulations as well as to ensure communications to shareholders are suitable for them to understand the Group's operations and activities. The Group will consider the use of commissioned research as a medium for shareholder education.

The Company utilizes professional advisors such as a Broker, NOMAD, Corporate Communications specialists and Company Secretarial services to provide advice and recommendations on various shareholder considerations where relevant. The Company hosts a weekly conference call with all directors and its NOMAD/Broker. During these conference call any shareholder considerations identified over the course of the week can be addressed and responded to accordingly, as well as other operational, financial, strategic of other relevant matters. The Company regards the Annual General Meeting as an important opportunity to communicate directly with shareholders via detailed presentations and an open question and answer session. The AGM includes a detailed investor presentation and Q&A session, over recent years held by a separate webinar to enable USA investor participation. Additionally, the Company also holds regular webinars as and when relevant, open to all shareholders, providing an investor presentation and an opportunity for Q&A with management. The Company also undertakes investor roadshows as and when appropriate, arranged through its broker. Over the past year, the Company considers that it has communicated with a significant portion of its shareholder base and has a clear understanding of shareholder expectations. Contact details are provided on the Company's website and within public documents, should shareholders wish to communicate with the Company.

TAKING INTO ACCOUNT WIDER STAKEHOLDER & SOCIAL RESPONSIBILITIES AND THEIR IMPLICATIONS FOR LONG-TERM SUCCESS

The Directors recognise their responsibilities to stakeholders including the State of Alaska, the Federal Government, North Slope Borough, staff, partners, suppliers, vendors and residents within the areas it operates. Given the current size of the Company, stakeholders are able to communicate directly with executive management and staff members, allowing the Board to act appropriately on such feedback. A description of how the Group considers key stakeholders in its decision-making is provided on page 12.

The Company is conscious of its impact on the geological, archeological, cultural and biological resources in its operating environment, and has implemented measures to ensure that each person working on our projects, including company personnel, contractors and subcontractors, are informed of the environmental, social and cultural concerns that relate to that person's job, so we can minimise any negative impacts.

Stakeholders can contact the Company via the website, its NOMAD, or can contact the Company's retained corporate communications advisers when required.

EMBEDDING EFFECTIVE RISK MANAGEMENT

During the year, the Board had weekly conference calls to discuss, amongst other items, operations, key risks, and other relevant matters. The Company's NOMAD also attends those weekly conference calls. Separately, the entire management team has a fortnightly 'alignment call', designed to provide better integration and understanding of activities across the team, both corporately and operationally. Additionally, the Group also has a policy of structured daily, weekly or fortnightly operational and management conference calls during periods of operational activity to identify and discuss key business challenges and risk areas. The Board believes that this regular program of internal communications provides an effective opportunity for potential or real-time risks to be identified, considered and, where necessary, addressed in a timely manner. Refer page 12 for additional description of how the Group considers stakeholder interests in decision making. The Group's oil and gas activities are subject to a variety of risks, both financial and operational, more information on risk can be found in the Finance Director's report and Strategic Report.

Given the Company's current size, the Board considers that the Executive Management team, with oversight from the Non-Executive Board of Directors and relevant advisers, are sufficient to identify risks applicable to the Company and its operations and to implement an appropriate system of controls. Accepting that no systems of control can provide absolute assurance against material misstatement or loss, the directors believe that the established systems for internal control within the group are appropriate to the size and cost structure of the business. Additionally, the Company has publicly stated that it is considering a possible listing on a US stock exchange such as NYSE or NASDAQ, and in preparation for such a listing has commenced a process of increasing the level of controls and governance of the group, to Sarbanes-Oxley standards. An internal audit function is not considered necessary or practical at this time due to the size of the Company and the close day-to-day control exercised by the executive directors.

The audit committee meets at least twice per year where these internal and financial controls are reviewed as required and assets are also assessed for impairment considerations.

MAINTAINING A BALANCED AND WELL-FUNCTIONING BOARD

The Directors acknowledge their responsibility for, and recognise the importance of implementing and maintaining, high standards of corporate governance. The Board is responsible for establishing and maintaining the system of internal controls. The effectiveness of the Group's system of internal control is considered annually by the Audit Committee of the Board.

The Board

The Board currently comprises two non-executive Directors, and four executive Directors. On 12th December 2023 the Company announced the appointment of an additional independent non-executive director, Linda Havard, to join the board, effective 1 January 2024 The independent Company Secretary is a partner in a law firm who is a specialist in providing company secretarial services to listed companies. The Board is responsible to the shareholders for the proper management of the Group. It meets regularly to discuss operations, consider and monitor strategy, examine opportunities, identify and consider key risks, consider (and where appropriate approve) capital expenditure projects and other significant financing and strategic matters. The Board delegates authority to the management for day-to-day business matters including: drilling, geological and operational matters, purchasing procedures, financial authority limits, contract approval procedures and the hiring of full time and temporary staff and consultants. Matters reserved for the Board are communicated in advance of formal meetings. In addition to formal board meetings, the directors hold weekly conference calls, attended by the Company's NOMAD, in order to keep the board fully informed with operational matters and potential issues as well as regulatory obligations. The board also considers this regular interaction with its NOMAD to be a prudent additional layer of corporate governance. Biographical details of the directors can be found on the 'About Pantheon' section of the Company's website. Board members are expected to attend all formal board and committee meetings, as well as weekly informal board meetings with the Company's NOMAD (or bi-wekly for non executive directors). The board meets formally at least 4 times per year, with meetings usually running for a full 2 days.

The QCA Code does not offer a definition of independence with respect to directors, so in forming a view on the independence of directors the Company has sought guidance by reference to the guidelines outlined in the FCA's UK Corporate Governance Code. In any event, the Board exercises discretion in making the determination of director independence which is kept under review on an annual basis. The now retired non-executive Chairman, Phillip Gobe, was considered to be independent. Allegra Hosford Scheirer and Linda Havard (appointment effective 1 January 2024) are both also considered to be independent. David Hobbs was also considered to be independent prior to assuming the role of Executive Chairman.

The Board has a number of committees as explained below. Following the appointment of the new independent non-executive director, Linda Havard on 1st January 2024, it is intended that some or all of the committees will be restructured.

Audit Committee

The Audit Committee consists of Jeremy Brest as Chair with all other directors as members. It is intended that Linda Havard will assume the role of Chair of the Audit Committee following her formal appointment as an independent non-executive director on 1st January 2024. This Committee provides a forum through which the Group's finance functions and auditors, report to the non-executive Directors. Meetings may be attended, by invitation, by the Company's NOMAD, Company Secretary, other directors and the Company's auditors.

The Audit Committee meets at least twice a year. For the financial year ended 30 June 2023 there were two audit committee meetings which were attended by all members. Its terms of reference include the review of the Annual and Interim Accounts, consideration of the Company and Group's accounting policies, the review of internal control, risk management and compliance procedures, and consideration of all issues surrounding publication of interim and annual financial results and the annual audit. The Audit Committee will also interact with the auditors and review their reports relating to accounts and internal control systems. The Audit committee met formally twice during the year, attended by all directors. The Company does not have a formal policy of auditor firm rotation, however it the individual audit partner is required to rotate every 5 years maximum.

Remuneration Committee

The Remuneration and Nomination Committee consist of Jeremy Brest as Chair, and all other directors as members. The Committee meets as and when required. Its role is to determine the remuneration arrangements and contracts of executive Directors and senior employees, and the appointment or re-appointment of Directors. No Director is involved in deciding their own remuneration.

Nominations Committee

The Nominations Committee is chaired by David Hobbs, with all other directors being members. The Committee meets as and when required. Its role is to consider and oversee board composition, recruitment and succession planning.

Conflicts Committee

The Company has established a Conflicts Committee which consists of Allegra Hosford Scheirer as Chair, with all other directors as members. The role of the Conflicts Committee is to assist the Board in monitoring actual and potential conflicts of interest under the definitions of the Companies Act 2006. Under the Companies Act 2006 Directors are responsible for their individual disclosures of actual or potential conflict. To follow best practice, the Conflicts Committee holds discussions where appropriate, with the Company's UK lawyers.

Anti-Corruption & Bribery Committee

The Company has established an Anti-Corruption & Bribery Committee Committee which consists of Justin Hondris as Chair, with all other directors as members. The purpose of the Anti-Corruption & Bribery Committee is to ensure the Company's compliance with the Bribery Act 2010.

HAVING APPROPRIATE EXPERIENCE, SKILLS AND CAPABILITIES ON THE BOARD

The Board of directors has a mix of experience, skills, both technical and commercial, and personal qualities that seek to deliver the strategy of the Company. The Company will ensure that the directors have the necessary up-to-date experience, skills and capabilities to deliver the Company strategy and targets. If the Company identifies an area where additional skills are required, the Company will contract an appropriately qualified third party to advise as required. Each director is listed on the 'About Pantheon' section of the Company's website and in the annual report, along with a clear description of their role and experience. The board is currently in the process of appointing of an additional independent non-executive director with extensive financial experience.

EVALUATING BOARD PERFORMANCE

As the Company has grown, and with its stated intention of considering a listing on a USA stock exchange, the Board is reviewing the board performance and effectiveness and will add additional resources if/where appropriate. The Company appointed an independent NED with geological experience during the year (Allegra Hosford Scheirer) and has recently appointed an additional NED with financial management experience (Linda Havard) whose appointment will become effective 1 January 2024.. The Board has contracted the executive remuneration specialists at Deloitte for matters concerning management incentive schemes.

ETHICAL VALUES & BEHAVIOURS

The Company operates a corporate culture that is based on ethical values and behaviors and treats operational stakeholders fairly and with respect. It will maintain a culture appropriate to the standards required for a Company of its size. The board communicates regularly with staff through meetings, team conference calls and presentations, individual telephone calls and messages and advocates respectful, pen dialogue with employees, consultants and other stakeholders. Following the appointment of the proposed new independent non-executive director, the board will comprise five male and two female members.

ENVIRONMENTAL STATEMENT

Pantheon Resources will seek to conduct its activities in a way that keeps the environmental and social impacts to a minimum. To that end, the Company plans to eliminate its Scope 1 and Scope 2 greenhouse gas emissions by 2030. Furthermore, it will consult with State and local communities on the North slope of Alaska to minimize the development footprint while seeking to maximise the economic benefits to the state of Alaska and North Slope Borough.

Pantheon intends for the initial development of Ahpun and Kodiak to be all electric, with CCS (carbon capture & storage) applied to power generation exhausts. We will ensure that all electricity purchases by the company are from zero GHG (greenhouse gas) emission sources.

Furthermore, after 2030, the Company will work with its suppliers in an effort to eliminate their Scope I and 2 emissions (i.e. Pantheon's scope 3 emissions).

To minimise the physical footprint of the Company's development activities we will maximise the number of wells drilled from each pad and minimise the number of pads and connecting roads.

MAINTAINING GOVERNANCE STRUCTURES AND PROCESSES

Ultimate authority for all aspects of the Company's activities resides with the Board, with the respective responsibilities of the Chairman, the Executive Directors and the various committees arising as a result of delegation by the Board. Given the constraints of balancing a small, cost-conscious Board with a desire to maintain high standards of Corporate Governance, the Board has active, structured and regular internal communication, including a standing weekly conference call between the executive board (with a standing invitation for non executives to attend) and its NOMAD where significant matters are tabled and discussed. This is in addition to regular, formal board meetings, at least 4 times per year. All the executive directors have designated roles and areas of responsibility and engage with the Company's shareholders and stakeholders in accordance with relevant regulatory guidelines. There are a number of matters reserved for the Board's review and approval including, Group strategy, approval of major capital expenditure projects, approval of the annual and interim results, fundraising, dividend policy and Board structure. It monitors the exposure to key business and operational risks and reviews the strategic direction of the group and its operations. The Board delegates day-to-day responsibility for managing the business to the Executive Directors/senior management team. The Board considers its current governance structures and processes as appropriate in the context of its current size, headcount and complexity, and is seeking to improve them further as the Group prepares itself for a possible USA stock market listing. The audit committee meets at least twice per year where internal and financial controls are reviewed as required and assets are also assessed for impairment considerations. In December, 2023 the board announced the appointment of an additional independent non-executive director, Linda Havard, who has decades of financial oversight and CFO experience, to further strengthen the board.

COMMUNICATING WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS

Page 12 of this Annual Report provides a section 172 statement which discusses how the Group considers the interests of shareholders and other relevant stakeholders in its decision making.

Additionally, under AIM Rule 26 the Company publishes historical annual reports, notices of meetings and other publications, including regular operational news flow, over a minimum of the five previous years which can be found under the 'Financial Reports' and other sections of the Company website.

The Board is committed to maintaining good communication and having dialogue with private and institutional shareholders, as well as analysts. In addition to the Annual General Meeting, the Company endeavors to arrange shareholder presentations (in person or via Webinar, Zoom or Microsoft Teams), allowing shareholders to discuss issues and provide feedback as appropriate. The Company also retains the services of a specialist corporate communications advisor to assist in promoting awareness of the Company's activities to its shareholders and wider audience.

The Board have not published an audit committee or remuneration committee report, which the Board considers to be appropriate given the size and stage of development of the Company.

Regarding a general meeting of the Company, upon the conclusion of that meeting the results of the meeting are released through a regulatory news service and a copy of the announcement is posted on the Company's website. In a situation such as where there is a significant proportion of votes cast against a resolution, then, where relevant, an explanation would be provided.

EU Market Abuse Regulations

The EU Market Abuse Regulation came into effect in the UK on 3 July 2016 and the Company has implemented relevant policies and procedures to ensure compliance with the requirements of the regime. The Company administers compliance in-house, consulting with NOMAD and legal counsel regularly.

Statement of Directors' responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable laws and regulations. Under that law the Directors have elected to prepare the Group and Parent Company financial statements in accordance with UK-adopted international accounting standards which requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

a) select suitable accounting policies and then apply them consistently;
b) make judgements and estimates that are reasonable and prudent;
c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business; and
d) state whether applicable UK adopted International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Group and hence for taking steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. The Company is compliant with AIM Rule 26 regarding the Company's website.

Statement of disclosure to the auditors

So far as the Directors are aware:

a) there is no relevant audit information of which the Company's auditors are unaware; and
b) all the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution proposing that PKF Littlejohn LLP be reappointed as auditors of the Company and that the Directors be authorised to determine their remuneration will be put to the next Annual General Meeting.

By order of the board

Justin Hondris
Director

18 December, 2023

David Hobbs, Executive Chairman

David Hobbs graduated as a Petroleum Engineer from Imperial College in 1984, initially working at British Gas as a drilling engineer before moving into commercial and business development roles at Monument Oil & Gas and Hardy Oil and Gas, two UK listed international independent E&P companies. He joined Cambridge Energy Research Associates (CERA), now part of S&P Global, ending up as Chief Energy Strategist, advising Government officials, senior executives and Boards of Directors across the energy sector. He also spent six years as part of the leadership team establishing the King Abdullah Petroleum Studies and Research Center (KAPSARC) in Riyadh, Saudi Arabia. David is an adjunct professor at the University of Calgary, a senior Non-Resident Fellow at the Atlantic Council's Global Energy Center and is Chairman of Proton Green, a US based helium, food grade CO2 and carbon sequestration company.

David is Chair of the Nominations Committee and a member of the Audit, Remuneration, Conflicts, and Anti-Corruption & Bribery Committees.

Jay Cheatham, Chief Executive Officer

Jay Cheatham has more than 50 years' experience in all aspects of the petroleum business. He has extensive international experience in both oil and natural gas, primarily for ARCO. At ARCO, Jay held a series of senior appointments. These include Senior Vice President and District Manager (ARCO eastern District) with direct responsibility for Gulf Coast US operations and exploration and President of ARCO International where he had responsibility for all exploration and production outside the US Jay's most recent appointment was as President and CEO of Rolls-Royce Power Ventures, where he had the key responsibility for restructuring the Company.

Jay also has considerable financial skills in addition to his corporate and operational expertise. He has acted as Chief Financial Officer for ARCO's US oil and natural gas company (ARCO Oil & Gas). Moreover, he has an understanding of the capital markets through his past position as CEO to the Petrogen Fund, a private equity fund.

Jay is a member of the Company's Remuneration and Nominations Committee, Audit Committee, Conflicts Committee and Anti-Corruption and Bribery Committee.

Justin Hondris, Director, Finance and Corporate Development

Justin Hondris has over 15 years' experience in public company management in the upstream oil and gas sector and has wide ranging experience in corporate finance, private equity and capital markets in the UK and abroad. Prior to Pantheon, Justin was involved in the private equity sector where he gained valuable experience in both investment and exit strategies for growth companies.

He is responsible for the financial, legal, administrative and corporate development functions of the Company.

Justin is Chair of Pantheon's Anti-Corruption and Bribery Committee and is a member of the Remuneration, Committee, Nominations Committee, Audit committee and the Conflicts Committee.

Robert (Bob) Rosenthal, Technical Director

Bob Rosenthal has over 40 years' experience in the oil and gas industry globally as an Exploration Geologist and Geophysicist. He has held various senior exploration positions and spent a large part of his career at Exxon and at BP, where he gained key relevant regional experience in the geology of North Slope of Alaska and of Texas. Since 1999, Bob has run his own successful consulting business and has led the exploration efforts of a number of private and public companies.

Bob is a member of the Company's Remuneration and Nominations Committee, Audit Committee, Conflicts Committee and Anti-Corruption and Bribery Committee.

Jeremy Brest, Non-executive Director

Jeremy has more than 25 years' experience in investment banking and financial advisory. Jeremy is the founder of Framework Capital Solutions, a boutique Singapore-based advisory firm specializing in structuring and execution of private transactions. Prior to founding Framework, Jeremy was the head of structuring for Indonesia at Credit Suisse and a derivatives trader at Goldman Sachs.

Jeremy is Chair of the Company's Audit Committee, and the Remuneration Committee, and a member of the Conflicts Committee, Nominations Committee and Anti-Corruption and Bribery Committee.

Allegra Hosford Scheirer, Non-Executive Director (appointed July 2023)

Allegra Hosford Scheirer is a recognized expert in petroleum system analysis. Her degrees are from Brown University (B.S., geology-physics/math) and the Massachusetts Institute of Technology (Ph.D., marine geology and geophysics). Following a postdoctoral position at Woods Hole Oceanographic Institution, she spent 6.5 years at the U.S. Geological Survey as a member of the Geophysical Unit of Menlo Park and the Energy Resources Program, where she contributed to petroleum resource assessments of sedimentary basins. For the past 15 years, she has been a co-director of the Basin Processes and Subsurface Modelling consortium at Stanford University, where she also teaches and advises graduate students. She also maintains a consulting company for working with private clients on exploration programs, short courses, and petroleum-focused field trips. Allegra is passionate about sustainability initiatives, including carbon capture and storage and geologic hydrogen.

Allegra is Chair of the Conflicts Committee and is a member of the Anti-Corruption & Bribery Committee, the Audit Committee, Remuneration Committee and Nominations Committee.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANTHEON RESOURCES PLC FOR THE YEAR ENDED 30 JUNE 2023

Opinion

We have audited the financial statements of Pantheon Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2023 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.4 in the financial statements, which indicates that additional capital will be required within the twelve months following the date of approval of the financial statements in order to meet working capital needs and to fully fund further exploration programmes as planned. As stated in note 1.4, these events or conditions, along with the other matters as set forth in note 1.4, indicate that a material uncertainty exists that may cast significant doubt on the group and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Challenging the forecasts prepared by management in order to assess the group's and parent company's ability to meet financial obligations as they fall due for a period of at least twelve months from the date of approval of the financial statements. We have reviewed the committed cash flows against contractual arrangements and historical information and compared general budgeted overheads to current run rates;
- Identifying and evaluating subsequent events which impact upon going concern and evaluating the likelihood of occurrence of forecasted future cash inflows; and

- Stress testing the cash flow forecasts by increasing expenditure, as well as critically reviewing committed versus non committed expenditure, in order to evaluate reasonably possible downside scenarios and their impact on the headroom.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we consider net assets to be the most significant determinant of the group's and parent company's financial performance used by shareholders as the group continues to bring its exploration assets through to development and the parent company continues to support the group's exploration activities. We therefore applied a materiality threshold of 2% of net assets to both the group and the parent company.

Whilst materiality applied to the group financial statements was $5,000,000 (2022: $4,790,000), each significant component of the group was audited to a lower level of materiality. The materiality of the parent company was $4,750,000 (2022: $4,395,000) with the other significant components being audited to materiality levels ranging between $1,105,000 and $2,424,000 (2022: between $1,795,000 and $2,194,000). These materiality levels were used to determine the financial statement areas that are included within the scope of our audit work.

Performance materiality is the application of materiality for a particular class of transactions, account balance or disclosure set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality. Performance materiality was set at 70% of the above materiality levels for both group and parent company, equating to $3,500,000 (2022: $3,592,500) and $3,325,000 (2022: $3,396,800) respectively, based upon our assessment of the risk of misstatement .

We agreed with management that we would report to the audit committee all individual audit differences identified during the course of our audit in excess of $250,000 (2022: $239,500) for the financial statements as a whole and $237,500 (2022: $219,790) for the parent company. We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Our approach to the audit

Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, aspects subject to significant management judgement as well as areas of greatest complexity, risk and size.

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain. The recoverability of intangible assets and investments in subsidiary undertakings were assessed as areas which involved significant judgements by management. We also addressed the risk of the valuation of the convertible bond, going concern and management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

The accounting records of the parent company and all subsidiary undertakings are centrally located and audited by us based upon group, parent company and component materiality or risk to the group. The key audit matters and how these were addressed are outlined below.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our scope addressed this matter
Valuation and impairment of exploration and evaluation assets in the group financial statements (note 13)	
The group's intangible asset represents capitalised exploration expenditure on projects. The balance as at 30 June 2023 was \$287m (2022: \$238m). The group has capitalised costs in respect of the group's exploration interests in accordance with International Financial Reporting Standard 6 'Exploration for and Evaluation of Mineral Resources'('IFRS 6'). The directors are required to assess the exploration assets for indicators of impairment and, where they are deemed to exist, to undertake a full impairment test to assess the need for impairment charges. This may involve significant judgements and assumptions such as the timing, amount and probability of future cash flow. We therefore identified the risk over impairment of exploration and evaluation assets as a significant risk and, due to the magnitude of the balance and the level of management judgement involved, we concluded this area to be a key audit matter.	Our work in this area included: • Obtaining a full schedule of leases relating to exploration assets and reviewing available information to assess whether the leases remained in good standing; • In respect of the Alaskan exploration assets, holding discussions with management regarding future plans to develop each prospect, including consideration of funding that may be required to do so; • Challenging management's assessment of impairment indicators in relation to exploration and evaluation assets, taking into consideration the impairment indicators outlined in IFRS 6. Challenging and corroborating key assumptions made by management; • Reviewing the minutes of Board meetings and Regulatory News Service (RNS) announcements for indicators of impairment; • Obtaining and reviewing any reports prepared by independent experts on the portfolio of assets and reviewing key findings in conjunction with management's assertions and IFRS 6 impairment indicators; • Substantively testing a sample of exploration and evaluation additions during the year and assessing their eligibility for capitalisation under IFRS 6; and • Ensuring presentation and disclosure in the financial statements are sufficient and in accordance with requirements of IFRS 6.

Carrying value of loans to subsidiaries in the parent company financial statements (note 9)	
Under International Accounting Standard 36 'Impairment of Assets' ('IAS 36'), companies are required to assess whether there is any indication that an asset may be impaired at the end of each reporting period. The parent company has loans to subsidiaries of \$279m (2022: \$211m)**.** These loans represent the most significant balance on the Company Statement of Financial Position and there is a risk they may be impaired as a result of the subsidiaries incurring losses. Key judgements and assumptions regarding the impairment of the balances include the timing, amount and probability of future cash flow from the subsidiaries. We therefore identified the risk over the impairment of loans to subsidiaries as a significant risk in the parent company's financial statements, and, due to the magnitude of the balance and the level of management judgement involved, we concluded this area to be a key audit matter.	Our work in this area included: • Reviewing the loan balances for any indicators of impairment, including a review of the underlying net asset balances in the related entities and considering the work done in respect of the recoverability of intangible assets within these entities; • Obtaining management's assessment of the recoverability of these balances and corroborating, as well as challenging, the key assumptions made by management in arriving at their conclusions; and • Evaluating the presentation and disclosure in the financial statements.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, our expertise in the sector and through the application of cumulative audit knowledge.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from
    - Companies Act 2006;
    - IFRS accounting standards;
    - AIM Rules for Companies;
    - Quoted Companies Alliance Code; and
    - Local laws and regulations in Alaska where the group operates.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - Making enquiries of management;
    - Reviewing legal expense accounts;

  - Reviewing board minutes and other correspondence during the year and post-year end; and
  - Reviewing of RNS announcements during the year and post-year end.
- We also identified the risks of material misstatement of the financial statements due to fraud at both the group and parent company levels. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, whether key management judgements could include management bias was identified in relation to the valuation and impairment of exploration assets in the group financial statements and the carrying value of loans to subsidiaries in the parent company financial statements, and we addressed this as outlined in the Key audit matters section of our report.
- We addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Compliance with laws and regulations at the component level was ensured through enquiry of management and review of ledgers and correspondence for any instances of non-compliance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: *www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Imogen Massey (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

18 December, 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
		$	$
Continuing operations			
Revenue	28	803,689	-
Cost of sales		(673,290)	-
Gross profit		130,399	-
Administration expenses		(3,870,673)	(7,430,653)
Share Based payments expense	24	(3,146,170)	(8,256,575)
Operating loss	4	(6,886,444)	(15,687,228)
Convertible Bond - Interest Expense	16	(6,111,118)	(4,640,537)
Convertible Bond - Revaluation of Derivative Liability	16	11,321,514	4,310,773
Other Income	29	30,000	-
Interest receivable	6	338,205	42,674
Loss before taxation		(1,307,843)	(15,974,318)
Taxation	7	(138,844)	2,022,334
Loss for the year		(1,446,687)	(13,951,984)
Other comprehensive income for the year			
Exchange differences from translating foreign operations	30	(3,185,937)	(741,484)
Total comprehensive loss for the year		(4,632,624)	(14,693,468)
Basic and diluted loss per share	2	(0.18)¢	(1.93)¢

The loss for the current and prior year and the total comprehensive loss for the current and prior year are wholly attributable to the equity holders of the parent company, Pantheon Resources Plc.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Share Capital	Share premium	Retained losses	Currency reserve	Share based payment reserve	Total equity
	$	$	$	$	$	$
Group						
At 1 July 2022	10,720,459	264,879,196	(48,466,590)	493,078	11,776,246	239,402,388
Loss for the year	-	-	(1,446,687)	-	-	(1,446,687)
Other comprehensive income: Foreign currency translation	-	-	-	(3,185,937)	-	(3,185,937)
Total comprehensive income for the year	-	-	(1,446,687)	(3,185,937)	-	(4,632,624)
Transactions with owners						
Capital Raising						
Issue of shares	1,301,769	20,828,305	-	-	-	22,130,074
Issue costs	-	(469,920)	-	-	-	(469,920)
Issue costs paid in cash	-	(501,683)	-	-	-	(501,683)
Exercise of Share Options and RSUs						
Issue of shares	58,445	1,880,003	-	-	-	1,938,448
Convertible Bond – Amortisation and Redemption						
Issue of shares	384,005	11,032,995	-	-	-	11,417,000
Other – Reversal of over accrual relating to previous capital raise	-	181,185	-	-	-	181,185
Total transactions with owners	1,744,219	32,950,885	-	-	-	34,695,104
Transfer of previously expensed share based payment on exercise of options	-	-	468,946	-	(468,946)	-
Share based payments expense	-	-	-	-	2,963,741	2,963,741
Balance at 30 June 2023	12,464,677	297,830,078	(49,444,331)	(2,692,860)	14,271,042	272,428,607

See note 27 for a description of each reserve account included above.

PANTHEON RESOURCES PLC

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Share capital $	Share premium $	Retained losses $	Currency reserve $	Share based payment $	Total equity $
Group						
At 1 July 2021	9,739,203	208,683,936	(36,331,398)	1,234,562	5,336,462	188,662,765
Loss for the year	-	-	(13,951,984)	-	-	(13,951,984)
Other comprehensive income: Foreign currency translation	-	-	-	(741,484)	-	(741,484)
Total comprehensive income for the year	-	-	(13,951,984)	(741,484)	-	(14,693,468)
Transactions with owners						
Capital Raising						
Issue of shares	630,769	40,369,230	-	-	-	40,999,999
Issue of shares in settlement of fees	7,692	492,308	-	-	-	500,000
Issue costs	-	(1,494,693)	-	-	-	(1,494,693)
Exercise of Share Options						
Issue of shares	196,238	5,543,559	-	-	-	5,739,797
Convertible Bond – Amortisation and Redemption						
Issue of shares	146,557	11,284,856	-	-	-	11,431,413
Total transactions with owners	981,256	56,195,260	-	-	-	57,176,516
Transfer of previously expensed share based payment on exercise of options	-	-	1,816,791	-	(1,816,791)	-
Share based payments expense	-	-	-	-	8,256,575	8,256,575
Balance at 30 June 2022	10,720,459	264,879,196	(48,466,591)	493,078	11,776,246	239,402,388

COMPANY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Share Capital	Share premium	Retained losses	Currency reserve	Share based payment reserve	Total equity
	$	$	$	$	$	$
Company						
At 1 July 2022	10,720,459	264,879,196	(38,237,347)	(29,882,500)	11,776,246	219,256,054
Profit for the year	-	-	3,399,226	-	-	3,399,226
Other comprehensive income: Foreign currency translation	-	-	-	10,888,506	-	10,888,506
Total comprehensive income for the year	-	-	3,399,226	10,888,506	-	14,287,732
Transactions with owners						
Capital Raising						
Issue of shares	1,301,769	20,828,305	-	-	-	22,130,074
Issue costs	-	(469,920)	-	-	-	(469,920)
Issue costs paid in cash	-	(501,683)	-	-	-	(501,683)
Exercise of Share Options and RSUs						
Issue of shares	58,445	1,880,003	-	-	-	1,938,448
Convertible Bond – Amortisation and Redemption						
Issue of shares	384,005	11,032,995	-	-	-	11,417,000
Other – Reversal of over accrual relating to previous capital raise	-	181,185	-	-	-	181,185
Total transactions with owners	1,744,219	32,950,885	-	-	-	34,695,104
Transfer of previously expensed share based payment on exercise of options	-	-	468,946	-	(468,946)	-
Share based payments expense	-	-	-	-	2,963,741	2,963,741
Balance at 30 June 2023	12,464,677	297,830,078	(34,369,174)	(18,993,994)	14,271,042	271,202,629

COMPANY STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Share capital	Share premium	Retained losses	Currency reserve	Share based payment	Total Equity
	$	$	$	$	$	$
Company						
At 1 July 2021	9,739,203	208,683,936	(28,090,878)	(2,922,760)	5,336,462	192,745,963
Loss for the year	-	-	(11,963,260)	-	-	(11,963,260)
Other comprehensive income: Foreign currency translation	-	-	-	(26,959,740)	-	(26,959,740)
Total comprehensive income for the year	-	-	(11,963,260)	(26,959,740)	-	(38,923,000)
Transactions with owners						
Capital Raising						
Issue of shares	630,769	40,369,230	-	-	-	40,999,999
Issue of shares in settlement of fees	7,692	492,308	-	-	-	500,000
Issue costs	-	(1,494,693)	-	-	-	(1,494,693)
Exercise of Share Options						
Issue of shares	196,238	5,543,559	-	-	-	5,739,797
Convertible Bond – Amortisation and Redemption						
Issue of shares	146,557	11,284,856	-	-	-	11,431,413
Total transactions with owners	981,256	56,195,260	-	-	-	57,176,516
Transfer of previously expensed share based payment on exercise of options	-	-	1,816,791	-	(1,816,791)	-
Share based payments expense	-	-	-	-	8,256,575	8,256,575
Balance at 30 June 2022	10,720,459	264,879,196	(38,237,347)	(29,882,500)	11,776,246	219,256,054

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	2023 $	2022 $
ASSETS			
Non-current assets			
Exploration & evaluation assets	13	286,668,349	237,722,294
Property, plant and equipment	17	38,570	91,691
		286,706,919	237,813,985
Current assets			
Trade and other receivables	9	2,559,522	2,498,447
Cash and cash equivalents	10	20,661,012	57,784,121
		23,220,534	60,282,568
Total assets		309,927,453	298,096,553
LIABILITIES			
Current liabilities			
Convertible Bond – Debt	16	9,755,688	10,001,704
Trade and other payables	11	2,840,610	6,377,986
Provisions	12	6,017,238	5,285,440
Lease Liabilities	14	36,435	60,297
Other Liabilities	15	-	1,964,441
		18,649,971	23,689,868
Non-current liabilities			
Lease Liabilities	14	-	30,004
Convertible Bond – Debt	16	16,619,062	20,474,664
Convertible Bond – Derivative	16	407,566	12,816,226
Deferred tax liability	7	1,822,247	1,683,403
		18,848,875	35,004,297
Total liabilities		37,498,847	58,694,166
Net assets		272,428,607	239,402,388
EQUITY			
Capital and reserves			
Share capital	18	12,464,677	10,720,459
Share premium		297,830,078	264,879,196
Retained losses		(49,444,331)	(48,466,591)
Currency reserve		(2,692,860)	493,078
Share based payment reserve	24	14,271,042	11,776,246
Shareholders' equity		272,428,607	239,402,388

The financial statements were approved by the Board of Directors and authorised for issue on the 18 December, 2023 and signed on its behalf by

Justin Hondris
Director
Company Number 05385506

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	2023 $	2022 $
ASSETS			
Non-current assets			
Property, plant and equipment	17	38,570	91,691
Loans to subsidiaries	9	279,494,628	211,053,821
		279,533,198	211,145,512
Current assets			
Trade and other receivables	9	154,161	93,086
Cash and cash equivalents	10	19,518,284	54,610,306
		19,672,445	54,703,392
Total assets		299,205,643	265,848,904
LIABILITIES			
Current liabilities			
Convertible Bond – Debt	16	9,755,688	10,001,704
Trade and other payables	11	617,425	710,474
Provisions	12	566,838	535,040
Lease Liability	14	36,435	60,297
Other Liabilities	15	-	1,964,441
		10,976,386	13,271,956
Non-current liabilities			
Lease Liabilities	14	-	30,004
Convertible Bond – Debt	16	16,619,062	20,474,664
Convertible Bond – Derivative	16	407,566	12,816,226
		17,026,628	33,320,894
Total liabilities		28,003,014	46,592,850
Net assets		271,202,629	219,256,054
EQUITY			
Capital and reserves			
Share capital	18	12,464,677	10,720,459
Share premium		297,830,078	264,879,196
Retained losses		(34,369,174)	(38,237,347)
Currency reserve		(18,993,994)	(29,882,500)
Share based payment reserve	24	14,271,042	11,776,246
Shareholders' equity		271,202,629	219,256,054

In accordance with the provisions of Section 408 of the Companies Act 2006, the Company has not presented an income statement. A profit for the year ended 30 June 2023 of $3,399,226 (2022: loss of $11,963,260) has been included in the consolidated income statement.

The financial statements were approved by the Board of Directors and authorised for issue on 18 December, 2023 and signed on its behalf by:

Justin Hondris
Director
Company Number 05385506

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 $	2022 $
Net outflow from operating activities	19	(11,395,855)	(941,506)
Cash flows from investing activities			
Interest received		338,205	42,674
Funds used for drilling, exploration and leases		(48,246,055)	(45,267,175)
Advance for Performance Bond		-	(2,400,000)
Property, plant and equipment		(3,251)	(3,368)
Net cash outflow from investing activities		(47,911,101)	(47,627,869)
Cash flows from financing activities			
Proceeds from share issues	18	22,746,441	46,739,796
Issue costs paid in cash		(501,683)	(994,694)
Proceeds from Convertible Bond		-	55,000,000
Repayment of borrowing and leasing liabilities		(60,913)	(55,083)
Net cash inflow from financing activities		22,183,845	100,690,020
(Decrease)/Increase in cash & cash equivalents		(37,123,110)	52,120,645
Cash and cash equivalents at the beginning of the year		57,784,121	5,663,476
Cash and cash equivalents at the end of the year	10	20,661,012	57,784,121

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 $	2022 $
Net cash (outflow) / inflow from operating activities	19	(1,507,104)	(1,831,791)
Cash flows from investing activities			
Interest received		337,894	42,674
Loans to subsidiary companies		(56,103,408)	(49,249,801)
Property, plant and equipment		(3,251)	(3,368)
Net cash outflow from investing activities		(55,768,764)	(49,210,495)
Cash flows from financing activities			
Proceeds from share issues	18	22,746,441	46,739,796
Issue costs paid in cash		(501,683)	(994,694)
Proceeds Convertible Bond		-	55,000,000
Lease payments		(60,913)	(55,083)
Net cash inflow from financing activities		22,183,845	100,690,019
(Decrease) / Increase in cash and cash equivalents		(35,092,023)	49,647,733
Cash and cash equivalents at the beginning of the year		54,610,306	4,962,573
Cash and cash equivalents at the end of the year	10	19,518,284	54,610,306

1. Accounting policies & General Information

Pantheon Resources Plc was listed on the London Stock Exchange's AIM in 2006. Pantheon, through its subsidiaries, has a 100% working interest in oil projects located onshore Alaska, USA. The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales, with registration number 05385506.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

1.1 Basis of preparation

The financial statements have been prepared on a going concern basis using the historical cost convention and in accordance with the UK Adopted International Accounting Standards ("IASs") and in accordance with the provisions of the Companies Act 2006.

The Group's financial statements for the year ended 30 June 2023 were authorised for issue by the Board of Directors on 18 December, 2023 and were signed on the Board's behalf by Mr J Hondris.

The Group and Company financial statements are presented in US dollars.

1.2 Basis of consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Goodwill arising on acquisitions is capitalised and subject to impairment review, both annually and when there are indications that the carrying value may not be recoverable.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. All the companies over which the Company has control apply, where appropriate, the same accounting policies as the Company.

1.3 Interests in joint arrangements

IFRS 11 Joint Operations defines a joint arrangement as an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require unanimous consent of the parties sharing control.

Joint operations

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. The Group has a 100% working interest in all of its projects and accordingly does not have interests in joint operations at the balance date. At the present time the Group is not actively seeking a farmout partner and is advancing towards development of its projects on its own, aiming to achieve FID on the Ahpun project by end 2025 and FID on the Kodiak project by end 2028. This is not to say that the Company is ruling out a potential farmout, however given the disparity between the market capitalisation of Pantheon and management's assessment of project NPV, it believes that materially better terms could be achieved once the project is further advanced. If at some point the Group were to farm out, then joint interest accounting would be applicable in future periods.

1.4 Going concern

In June 2023 Pantheon communicated to shareholders via RNS and accompanying webinar, its aggressive strategy to target sustainable market recognition of a value of $5 - $10 per barrel of 1P/1C recoverable resource by the end of 2028, FID (Final Investment Decision) on the Ahpun project by the end of 2025, and FID on the Kodiak project by the end of 2028. Executing such a strategy requires significant additional capital, most of which the Company seeks to access through non equity sources. This process is presently underway. In November 2023 management provided a detailed stock exchange announcement accompanied by a webinar, which provided a detailed overview of the estimated $120 million capital required to achieve first production at Ahpun. This sum includes the drilling of 3 new wells, a hot tap into the TAPS pipeline, upgrading production facilities and 3 years of G&A. In accessing additional capital, Pantheon's goal is to achieve this in the least dilutive manner for shareholders, minimising the use of equity capital and by prioritising three main alternate funding sources: (i) Vendor financing (ii) Offtaker financing and (iii) Reserve based lending. Pantheon is presently in discussions with multiple parties with respect to those potential non-equity financing alternatives. The Group will need to secure additional funding for general working capital, to cover future liabilities as they fall due and to continue to progress its key projects as planned within the 12 months following the approval of these financial statements. As previously disclosed to shareholders, the Group seeks to secure such funding by Q2 or Q3 2024, in the least dilutive manner for shareholders, ideally through one of the non equity funding sourced discussed above. The auditors have made reference to this material uncertainty within their audit report.

In Q3 2023, Netherland Sewell & Associates estimated a 2C Contingent Resource for Pantheon's Kodiak project totalling 962.5 million barrels of marketable liquids. The directors believe the enormous size of the resource already appraised on Pantheon's acreage provides the potential for 1,000 - 2,000 wells. Whilst in absolute terms this would entails cumulative investment estimated in the billions of dollars over the lifetime of the project, Pantheon estimates c. $300 million on the Ahpun development (plus potentially $50 million of Kodiak appraisal costs) to be the maximum cumulative cash requirement. Once in full development, it is believed that production revenues have the potential to self-finance a great majority of the development costs, as is typically the case in such developments.

The Group has no contractual obligation to drill any future wells and the only obligation is to suspend the Talitha-A test well, the estimated cost of which ($0.7m) has already been provided for in the financial accounts. Given the quality of the assets, the directors are confident in their ability to raise capital as and when required. Accordingly, the financial statements have been prepared on a going concern basis.

1.5 Revenue

During the year oil sales commenced as a result of testing at Alkaid-2. This is considered to be non-recurring because it only occurred during the testing phase and production and thus production revenues stopped once flow testing operations ended. Once in production, revenue from contracts with customers will be recognised in accordance with IFRS15 Revenue from Contacts with Customers, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

Contract balances

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Group performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The Group does not have any contract assets as performance and a right to consideration occurs within a short period of time and all rights to consideration are unconditional.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

1.6 Foreign currency translation

(i) *Functional and presentational currency*

The financial statements for the Group and the Company are presented in US Dollars ("$") and this is the Group's Presentation currency. The Functional currency of all entities within the Group, excluding the Parent Company, is $USD. The Functional currency of the Parent Company is £GBP.

(ii) *Transactions and balances*

Transactions in foreign currencies are translated into US dollars at the spot rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The resulting exchange gain or loss is dealt with in the income statement.

The assets and liabilities of the Parent Company are translated into US dollars at the rates of exchange ruling at the year end. The results of the Parent Company are translated into US dollars at the average rates of exchange during the year. Exchange differences resulting from the retranslation of currencies are treated as movements on reserves.

1.7 Cash and cash equivalents

The Company considers all highly liquid investments with a maturity of 90 days or less to be cash equivalents, carried at the lower of cost or market value.

1.8 Deferred taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and expected to apply when the related deferred tax is realised, or the deferred liability is settled.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilized.

1.9 Exploration and evaluation costs and developed oil and gas properties

The Group follows the 'successful efforts' method of accounting for exploration and evaluation costs. At the point of production, all costs associated with oil, gas and mineral exploration and investments are classified into and capitalised on a 'cash generating unit' ("CGU") basis, in accordance with IAS 36. Costs incurred include appropriate technical and administrative expenses but not general corporate overheads. If an exploration project is successful, the related expenditures will be transferred to Developed Oil and Gas Properties and amortised over the estimated life of the commercial reserves on a 'unit of production' basis.

The recoverability of all exploration and evaluation costs is dependent upon the discovery of economically recoverable reserves, the ability of the Group to obtain necessary financing to complete the development of the reserves and future profitable production or proceeds from the disposition thereof. All balance sheet carrying values are reviewed for indicators of impairment at least twice yearly. The prospect acreage has been classified into discrete "projects" or, upon production, CGU's. When production commences the accumulated costs for the specific CGU is transferred from intangible fixed assets to tangible fixed assets i.e., 'Developed Oil & Gas Properties' or 'Production Facilities and Equipment', as appropriate. Amounts recorded for these assets represent historical costs and are not intended to reflect present or future values.

1.10 Impairment of exploration costs and developed oil and gas properties, depreciation of assets, plug & abandonment and goodwill

In accordance with IFRS 6 'Exploration for and Evaluation of Mineral Resources' (IFRS 6), exploration and evaluation assets are reviewed for indicators of impairment. Should indicators of impairment be identified an impairment test is performed.

In accordance with IAS 36, the Group is required to perform an "impairment test" on assets when an assessment of specific facts and circumstances indicate there may be an indication of impairment, specifically to ensure that the assets are carried at no more than their recoverable amount. Where an impairment test is required, any impairment loss is measured, presented and disclosed in accordance with IAS 36.

In accordance with IAS 36 the Group has determined an accounting policy for allocating exploration and evaluation assets to specific 'cash-generating units' ("CGU") where applicable.

Exploration and evaluation costs

The Alaskan exploration and evaluation leasehold assets were subject to a fair value assessment as at the date of acquisition. The carrying value at 30 June 2023 represents the cost of acquisition plus any fair value adjustment, where appropriate, and subsequent capitalised costs, in accordance with UK adopted IAS.

Decommissioning Charges

Decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing, extent and amount of expenditure may also change – for example, in response to changes in reserves or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future decommissioning costs required.

For all wells the Group has adopted a Decommissioning Policy in which all decommissioning costs are recognised when a well is either completed, abandoned, suspended or a decision taken that the well will likely be plugged and abandoned in due course. For completed or suspended wells, the decommissioning charge is provided for and subsequently depleted over the useful life of well using unit of production method.

Goodwill

Goodwill, when carried, is tested for impairment annually (as at 30 June) and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill, if applicable, by assessing the recoverable amount of the asset or group of assets to which the goodwill relates. Where the recoverable amount is less than its carrying amount, an impairment loss is recognised. If an impairment is recognised it is reflected in the statement of profit or loss and other comprehensive income as part of other operating expenses.

Developed Oil and Gas Properties

Developed Oil and Gas Properties only represent the capitalised costs associated with oil and gas properties, assessed on a CGU (cash generating unit) basis which have been transferred from "Exploration and Evaluation costs" to "Developed Oil & Gas properties" when the well was commissioned. Wells are depleted over the estimated life of the commercial reserves based on the "unit of production basis". The carrying values of Developed Oil and Gas properties are tested for indicators of impairment, and the 'recoverable amount', being the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Other property, plant and equipment

Other property, plant and equipment are stated at historical cost less depreciation. Depreciation is provided at rates calculated to write off the costs less estimated residual value of each asset over its estimated useful life, as follows:

- Office equipment is depreciated by equal annual instalments over their expected useful lives, being 3 years.

1.11 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets, if/where applicable, are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings (convertible bond debt), trade and other payables and embedded derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or fair value gains/(losses) on derivative financial instruments.

Embedded derivative financial instruments

A borrowing arrangement structured as a convertible bond repayable in cash or stock over 20 quarterly instalments, in addition to the right of the lender to voluntarily convert part or all of the outstanding principal prior to the maturity date of the bond, has a derivative embedded in it. This is considered to be a separable embedded derivative of a loan instrument.

At the date of issue, the fair value of the embedded derivative is estimated by considering the derivative as a series of individual components with modelling of the fixed and floating legs to determine a repayment schedule and derive a net present value for the forward contract embedded derivative.

This amount is recognised separately as a financial liability or financial asset and measured at fair value through the income statement. The residual amount of the loan is then recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

IFRS 9 Expected Credit Loss Model

IFRS 9 requires that credit losses on financial assets are measured and recognised using the "expected credit loss" (ECL) approach. Other than cash, the only other financial assets held are $2.4m in drilling deposits lodged with the state of Alaska. These drilling deposits are to cover future obligations to the state of Alaska for Great Bear Pantheon to perform dismantle, removal and restoration activities at Alkaid #2. Funds held by the state of Alaska are considered to have virtually no risk of credit loss.

1.12 Leases

All contracts entered into by the group are assessed to determine if they are either a lease contract or contain a lease contract. Where a lease is identified the Group recognises a right of use asset and a corresponding lease liability with respect to all lease arrangements in which it is a lessee.

There are three key evaluations in determining a lease contract:

I. The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the group.

II. The Group has the right to obtain substantially all of the economic benefits from use of the identified assets throughout the period of use, considering rights within the defined scope of the contract.

III. The Group has the right to direct the use of the identified asset throughout the period of use.

Lease liabilities are initially measured at the discounted present value of all future lease payments, excluding prepayments made up to and including the commencement date of the lease. The discount rate used is either the rate implicit in the lease, or if that is not readily determined, the incremental borrowing rate.

The lease liability is presented as a separate line item in the balance sheet.

Subsequent measurement of the lease liability includes increases to the carrying amount of the liability to reflect the interest on the lease liability (using the effective interest method) and by reducing the carrying amount for the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

A. There is a change in the lease term. In such cases the lease liability is remeasured by discounting the revised lease payments using the revised discount rate.

B. Change of lease payments (due to changes in the reference index or rate) or any changes in expected payments under a guaranteed residual value. In such instances the lease liability is remeasured using unchanged discount rates; a revised discount rate is used where the lease payments are changed due to a change in a floating interest rate.

C. Where a lease modification is not accounted for as a separate lease. In such a case the lease liability is remeasured based on the modified lease term, using the revised discount rate at the date of the modification.

The initial carrying value of a right-of-use assets consists of:

- The corresponding lease liability
- All and any prepayments prior to the lease commencement
- Less: Any lease incentive received by the lessee
- Less: Any initial direct costs incurred by the lessee

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The asset is subsequently measured at initial carrying value less accumulated depreciation and impairment losses.

Where an impairment indicator has been identified, an impairment test is conducted. In assessing whether an impairment is required, the carrying value of the asset is compared with its recoverable value. The recoverable amount is the higher of the assets fair value less the costs to sell and value in use.

1.13 Critical accounting estimates and judgements

The preparation of financial statements in conformity with UK adopted International Accounting Standards requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. IFRSs also require management to exercise its judgement in the process of applying the Group's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

Impairment of tangible and intangible assets

The first stage of the impairment process is the identification of an indication of impairment. Such indications can include significant geological or geophysical information which may negatively impact the existing assessment of a project's potential for recoverability, significant reductions in estimates of resources, significant falls in commodity prices, a significant revision of Group Strategy or of the plan for the development of a field, operational issues which may require significant capital expenditure to remediate, political or regulatory impacts and others. This list is not exhaustive and management judgement is required to decide if an indicator of impairment exists. The Group regularly assesses the tangible and non-tangible assets for indicators of impairment. When an impairment indicator exists an impairment test is performed; the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment of loans between Parent and Subsidiaries

The carrying amount of the loans made to the subsidiaries is tested for impairment annually and this process is considered to be key judgement along with determining whenever changes circumstances or events indicate that the carrying amounts of those loans may not be recoverable. When assessing the recovery of these loans, the Board of Directors consider the likelihood that the subsidiaries will be able to settle the amounts owing , either out of future anticipated cashflows or through divestment of assets.

Contingent liabilities

Pursuant to IAS 37, a contingent liability is either: (1) a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of some uncertain future event not wholly within the entity's control, or (2) a present obligation that arises from a past event but is not recognized because either: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or (ii) the amount of the obligation cannot be measured with sufficient reliability.

Kinder Morgan Treating L.P. ("Kinder Morgan") initiated a dispute over an East Texas gas treating agreement between Kinder Morgan and Vision Operating Company, LLC ("VOC"). VOC ceased making payments to the service provider in July 2019. The service provider subsequently issued a demand to VOC and, in February 2021, served Pantheon Resources plc with a petition, seeking to recover not less than $3.35m in respect of this VOC contract. Pantheon held ownership of less than 0.1% of VOC via a 66.6% interest in Vision Resources LLC. Both Vision Resources LLC and VOC filed for Chapter 7 Bankruptcy in the United States Bankruptcy Court for the Southern District of Texas Houston Division in April 2020.

No Pantheon entity is a signatory to the gas treating agreement and none are named in the agreement. Pantheon has taken legal advice on the matter and believes it has no liability to the service provider. Accordingly, Pantheon does not consider a provision should be included with the final statements and will contest any claim made.

In, July 2021, the court dismissed Kinder Morgan's claims against Pantheon Resources plc. Kinder Morgan has also asserted the same claims against two subsidiaries, Pantheon Oil & Gas, LP and Pantheon East Texas, LLC. Pantheon Oil & Gas, LP and Pantheon East Texas, LLC are contesting these claims.

Value of exploration assets on acquisition

In accordance with IFRS 3 Business Combinations, exploration assets acquired as part of a business acquisition, and hence combination, are recorded at their fair value as opposed to the fair value of the consideration paid.

Share-based payments

The Group records charges for share-based payments.

For option-based share-based payments, to determine the value of the options management estimate certain factors used in the option pricing model, including volatility, vesting date, exercise date of options and the number of options likely to vest. At each reporting date during the vesting period management estimate the number of shares that will vest after considering the vesting criteria. If these estimates vary from actual occurrence, this will impact on the value of the equity carried in the reserves.

Calculation of fair value of the derivative and debt components of the Unsecured Convertible Bond

Implicit within the convertible bond is an element of debt and a derivative element, reflecting the optionality of receiving stock, potentially at a profit, instead of cash in the case of quarterly repayments (amortisations) or partial voluntary conversions of the bond at the bondholders election. Pantheon contracted a third party expert valuation group in order to calculate these amounts, using Monte Carlo analysis.

Segment Reporting

The operating segments, namely Head Office and Alaska, are reported in a way that is consistent with the internal reporting and provided to the chief operating decision maker as required by IFRS 8 "Operating Segments". The Board of Directors, have been identified as the chief operating decision-maker. As such, the Board of Directors are responsible for allocating resources and assessing performance of the operating segments.

The accounting policies of the reporting segments are consistent with the accounting policies of the Group as a whole. The segment profit and loss represents the profit or loss earned by each segment. This is the measure of profit that reported to the Board of Directors for the purpose of resource allocation and the assessment of each segment's performance. When assessing segment performance and considering the allocation of resources, the Board of Directors review each segment's assets and total liabilities; For this purpose, all assets and liabilities are allocated to reportable segments.

1.14 New and amended International Financial Reporting Standards adopted by the Group

New standards and interpretations not applied

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective.

Standard	Impact on initial application	Effective date
IAS 1	Amendments – classifications of current and non-current liabilities	01 January 2024
IAS 8	Amendments – accounting policies, changes to accounting estimates and errors	01 January 2023
IAS 12	Amendments – income taxes – deferred tax arising from a single transaction	01 January 2023
IAS 1	Amendments – presentation of financial statements and IFRS practice statement. Disclosure of accounting policies	01 January 2023

The Group does not anticipate that the adoption of these standards will have a material effect on its financial statements in the period of initial adoption.

1.15 Share based payments

On occasion, the Company has made share-based payments to certain Directors, staff and consultants by way of issue of ordinary shares and share options. In the case of share options, the fair value of these payments is calculated by the Company using the Black-Scholes option pricing model. The expense is recognised on a straight-line basis over the period from the date of award to the date of vesting, based on the Company's best estimate of the expected number of shares that will eventually vest. There were no new issues of share options made during the year.

2. Loss per share

The total loss per ordinary share from continuing operations for the group is 0.18 US cents (2022: 1.93 US cents - loss). The loss is calculated by dividing the loss for the year by the weighted average number of ordinary shares in issue of 791,082,592 (2022: 724,563,153).

The diluted profit per share has been kept the same as the basic profit per share because, although some of the 50,438,921 options and warrants in issue were in the money as at 30 June 2023, the Company reported a loss, hence including the additional dilution would have resulted in a reduction of the loss per share.

The diluted weighted average number of shares in issue is 841,521,513 (2022: 779,527,074).

3. Segmental information

The Group's activities involve the exploration for oil and gas. There are two reportable operating segments: USA (Alaska) and Head Office. Non-current assets, and operating liabilities are attributable to the USA (Alaska), whilst much of the corporate administration is conducted through Head Office.

Each reportable segment adopts the same accounting policies.

In compliance with IFRS 8 'Operating Segments', the following tables reconcile the operational loss and the assets and liabilities of each reportable segment with the consolidated figures presented in these Financial Statements, together with comparative figures for the year ended 30 June 2023.

Year ended 30 June 2023

Geographical segment (Group)	**Head Office**	**Alaska**	**Consolidated**
	$	**$**	**$**
Revenue	-	803,689	803,689
Production royalties	-	(97,990)	(97,990)
Cost of sales	-	(575,300)	(575,300)
Administration expenses	997,106	(4,867,779)	(3,870,673)
Share based payments (Options & RSUs)	(3,146,170)	-	(3,146,170)
Convertible Bond - Interest Expense	(6,111,118)	-	(6,111,118)
Convertible Bond - Revaluation of Derivative Liability	11,321,514	-	11,321,514
Interest receivable	337,894	311	338,205
Other Income	-	30,000	30,000
Taxation	-	(138,844)	(138,844)
Loss by reportable segment	3,399,226	(4,845,913)	(1,446,687)
Exploration & evaluation assets	-	286,668,349	286,668,349
Property, plant & equipment	38,570	-	38,570
Trade and other receivables	154,161	2,405,361	2,559,522
Cash and cash equivalents	19,518,284	1,142,727	20,661,011
Intercompany balances	279,494,628	(279,494,628)	-
Total assets by reportable segment	299,205,643	10,721,809	309,927,452
Total liabilities by reportable segment	(28,003,014)	(9,495,832)	(37,498,847)
Net assets by reportable segment	271,202,629	1,225,978	272,428,606

Year ended 30 June 2022

Geographical segment (Group)	**Head Office**	**Alaska**	**Consolidated**
	$	**$**	**$**
Administration expenses	(3,419,596)	(4,011,058)	(7,430,654)
Share option expense	(8,256,575)	-	(8,256,575)
Convertible Bond - Interest Expense	(4,640,537)	-	(4,640,537)
Convertible Bond - Revaluation of Derivative Liability	4,310,773	-	4,310,773
Interest receivable	42,674	-	42,674
Taxation	-	2,022,334	2,022,334
Loss by reportable segment	(11,963,261)	(1,988,724)	(13,951,985)
Exploration & evaluation assets	-	237,722,294	237,722,294
Property, plant & equipment	91,691	-	91,691
Trade and other receivables	93,086	2,405,361	2,498,447
Cash and cash equivalents	54,610,306	3,173,815	57,784,121
Intercompany balances	(211,053,821)	211,053,821	-
Total assets by reportable segment	265,848,904	32,247,650	298,096,553
Total liabilities by reportable segment	(46,592,850)	(12,101,315)	(58,694,166)
Net assets by reportable segment	219,256,054	20,146,334	239,402,388

4. Operating loss

	2023 $	2022 $
Operating loss is stated after charging:		
Depreciation – office equipment	1,869	303
Depreciation Right of use assets	55,700	54,472
Auditor's remuneration		
- group and parent company audit services	133,000	112,500
Auditor's remuneration for non-audit services		
- taxation services and compliance services	-	-

5. Employment costs

The employee costs of the Group, including Directors' remuneration, are as follows:

	2023 $	2022 $
Wages and salaries	2,680,169	2,739,035
Social security costs	170,861	255,446
Statutory pension costs	21,087	33,430
Share based payments	3,146,170	8,256,574
	6,018,287	11,284,485

The summary of the directors' remuneration is shown in the directors' report on page 26. The Directors are considered to be the key management.

	2023	2022
Number of employees (including Executive Directors) at the end of the year	number	number
Management and administration	15	14

6. Interest receivable

	2023 $	2022 $
Bank interest received	338,205	42,674

7. Taxation

	2023 $	2021 $
Current tax		
US federal corporate tax	-	-
US state and local tax	-	-
UK corporate tax	-	-
Factors affecting the tax charge for the period		-
Income (loss) on ordinary activities before taxation	(1,307,843)	(15,974,318)
Income (loss) on ordinary activities before taxation multiplied by the standard US corporate tax rate of 21% (2022: US corporate tax rate of 21%)	(274,647)	(3,354,607)
Effects of:		
State of Alaska tax benefits associated with temporary book-to-tax differences	(335,421)	(267,455)
US federal tax benefit associated with temporary book-to-tax differences	748,912	1,599,728
US federal tax benefit associated with reassessed future utilization of loss carry forward		-
Total tax charge /(credit)	138,844	(2,022,334)

Factors that may affect future tax charges

The Group's deferred tax assets and liabilities as at 30 June 2023 have been measured at 21% for items subject to US federal income tax only, items subject to state of Alaska and US federal income tax are reflected at an Alaska rate of 9.4% and a US federal rate, net of state of Alaska tax deduction, of 28.426%.No deferred tax has been provided for the UK tax losses as there is no expectation of the utilisation in the near future.

At the year-end date, the Group has unused losses carried forward of $123.6m (2022: $125.5m) available for offset against suitable future profits. Unused US tax losses incurred prior to January 1, 2018 expire in general within 20 years of the year in which they are sustained. Losses sustained after December 31, 2017 do not expire. The UK tax losses carried forward are approximately $11.5m (2022: $16m). A deferred tax asset in respect of the unutilised carried forward losses has not been recognised due to the uncertainty of the timing of any future profits.

The deferred tax liability at 30 June 2023 is 1,822,247 (2022: 1,683,403). The deferred tax liability is comprised of future tax benefits (deferred tax asset) primarily associated with net operating losses generated in prior years and the estimated loss generated in the current year, combined with future tax expenses (deferred tax liability) associated with the book gain on bargain purchase not yet recognized for income tax. Net operating losses will offset future taxable income and reduce the tax liability that would otherwise be incurred. The tax deferred gain on bargain purchase will result in future taxable income greater than book net income.

8. Subsidiary entities

The Company currently has the following wholly owned subsidiaries:

Name	Country of Incorporation	Percentage ownership	Activity	Registered office address
Hadrian Oil & Gas LLC	United States	100%	Holding Company	5718 Westheimer, Suite 1600, Houston, Texas, 77057
Agrippa LLC	United States	100%	Holding Company	5718 Westheimer, Suite 1600, Houston, Texas, 77057
Pantheon Oil & Gas LP	United States	100%	Oil & Gas exploration	5718 Westheimer, Suite 1600, Houston, Texas, 77057
Great Bear Petroleum Ventures I, LLC	United States	100%	Lease Holding Company	3705 Arctic Blvd. # 2324 Anchorage, Alaska, 99503
Great Bear Petroleum Ventures II, LLC	United States	100%	Lease Holding Company	3705 Arctic Blvd. # 2324 Anchorage, Alaska, 99503
Great Bear Pantheon, LLC	United States	100%	Holding Company	3705 Arctic Blvd. # 2324 Anchorage, Alaska, 99503
Pantheon East Texas, LLC	United States	100%	Holding Company	5718 Westheimer, Suite 1600, Houston, Texas, 77057
Pantheon Operating Company, LLC	United States	100%	Operating Company	P.O. Box 11082 Spring, Texas, 77391-1082
Borealis Petroleum LLC	United States	100%	Holding Company	3705 Arctic Blvd. # 2324 Anchorage, Alaska, 99503

Pantheon Oil & Gas LP is 99% owned by Agrippa LLC as its limited partner and 1% by Hadrian Oil & Gas LLC as its general partner.

9. Trade and other receivables

	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
Amounts falling due within one year:				
Prepayments & accrued income	55,199	46,000	52,500	43,301
Other receivables	2,504,323	2,452,447	101,661	49,785
Total	2,559,522	2,498,447	154,161	93,086

	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
Amounts falling due after one year:				
Loans to subsidiaries	-	-	279,494,628	211,053,821

An annual impairment review of the amount due from subsidiary undertakings (loans to subsidiaries) is performed by comparing the expected recoverable amount of the subsidiary's underlying tangible and intangible assets to the carrying value of the loan in the Company's statement of financial position. This has been assessed in line with IFRS 9 for credit losses however recoverability is supported by the underlying assets.

On the basis of ongoing annual assessments, the lifetime expected credit losses are recognised against loans and receivables when they are identified and are recorded in the statement of comprehensive income.

10. Cash and cash equivalents

	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
Cash at bank and in hand	20,661,012	57,784,121	19,518,284	54,610,306

11. Trade and other payables

	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
Trade creditors	251,617	79,417	250,539	78,339
Accruals	2,588,994	6,298,569	366,886	632,134
Total	2,840,611	6,377,986	617,425	710,473

12. Provisions

Plug and Abandonment Provision

The Group recognises a decommissioning liability where it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the field location. A breakdown of these costs is detailed at Note 21.

Legal Costs

Legal costs have been provided for due to an ongoing dispute with a third-party vendor as detailed in Note 26.

Provisions	Group 2023 $	Group 2022 $	Company 2023 $	Company 2022 $
Plug and Abandonment	5,200,400	4,500,400	-	-
Legal costs	250,000	250,000	-	-
Other provision – Irrecoverable VAT	566,838	535,040	566,838	535,040
Total	6,017,238	5,285,440	566,838	535,040

Provisions	Group 2023 $	Group 2022 $
Opening balance	5,285,440	1,250.000
Increase in period	731,798	4,035,440
Amounts unused	6,017,238	5,285,440
Closing balance	6,017,238	5,285,440

	Company 2023 $	Company 2022 $
Opening balance	535,040	-
Increase in period	31,798	535,040
Amounts used	-	-
Amounts unused	566,838	535,040
Closing balance	566,838	535,040

13. Exploration and evaluation assets	Group 2023 $	Group 2022 $
Cost		
At 1 July	237,852,406	189,084,831
Additions	48,246,055	45,267,175
Additions to Asset Retirement bligations	700,000	3,500,400
At 30 June	286,798,461	237,852,406
Impairment		
As at 1 July	130,112	130,112
Charge for year	-	-
At 30 June	130,112	130,112
Net book value		
At 30 June	286,668,349	237,722,294

The Group additions for the year comprise the direct costs associated with the preparation of drilling of oil and gas wells, together with costs associated with leases and seismic acquisition and processing.

An assessment for indicators for impairment was conducted on all of the Group's exploration and evaluation assets. Indicators of impairment included asset specific criteria such as, but not limited to, the emergence of negative geological/geophysical analysis, unsuccessful drilling results, a deterioration in the Group's lease position, and the presence of relevant regional drilling data. The successful drilling campaign over recent years, reinforced by the external validation from third party experts on the Group's geological data, including, amongst other, receipt in August 2023 of a certified C2 Contingent Resource estimate of 962.5 barrels of marketable liquids, has caused the Group to conclude that no impairment was required. In making assessments for indicators of impairment other criteria were considered such as, but not limited to, changes to commodity prices, a worsening of regulatory or environmental factors and macroeconomic conditions. The Group considered such indicators for impairment and concluded that no impairment was required.

14. Leases

Right of use assets

The Group used leasing arrangements relating to property, plant and equipment. As the Group has the right of use of the asset for the duration of the lease arrangement, a "right of use" asset is recognised within property, plant and equipment.

When a lease begins, a liability and right of use asset are recognised based on the present value of the lease payments.

	Company & Group 2023 $	Company & Group 2022 $
Interest expense on lease liabilities	5,746	4,964
Total cash outflow for leases	(60,913)	(55,083)
As at 1 July	88,627	30,308
Additions to right-of-use assets	-	111,949
Depreciation charge - right of use assets	(55,700)	(54,472)
Foreign exchange movement on right of use assets	1,198	842
Carrying amount at the end of the year:		
Right of use assets	34,124	88,627

Lease liabilities

	Company & Group 2023 $	Company & Group 2022 $
Current	36,435	60,297
Non-current	-	30,004
	36,435	90,301

15. Other Liabilities

The Company assists in the mechanics of the exercise of shares options for staff and consultants, sale of resultant shares externally through a facility operated through the Company's broker, remittances of relevant income tax and other obligations. Employees are subject to full income tax on any profits upon the exercise of share options and sale (if at a profit), which are processed through the Company's payroll facility. The amount of $Nil (2022: $1,964,441) represents the net amount payable for the exercise of options that was being processed at the year end and payable.

16. Unsecured Convertible Bond

In December 2021, the Company issued $55 million worth of senior unsecured convertible bonds to a fund advised by Heights Capital Ireland LLC, a global equity and equity-linked focused investor. After settlement of the 13th December 2023 convertible bond repayment, the remaining principal outstanding is $29.4million.

The Convertible Bonds have a maturity of 5 years, a coupon of 4.0% per annum and are repayable in 20 quarterly repayments ("amortisations") of principal and interest over the 5 year term of the convertible bond, with the last repayment due in December 2026. Such quarterly amortisations are repayable at the Company's option, in either cash at face value, or in ordinary shares ("stock") at the lower of the conversion price (presently USD$0.9096 Wper share) or a 10% discount to volume weighted average price ("VWAP") in the 10 or 3 day trading period prior to election date. Additionally, the bondholder has the option to partially convert the convertible bond at their discretion. A full summary of the terms of Convertible Bonds is detailed in the Company's RNS dated 7 December, 2021.

The bond agreement contains embedded derivatives in conjunction with an ordinary bond. As a result, and in accordance with the accounting standards, the convertible bonds are shown in the Consolidated Statement of Financial Position, in two separate components, namely Convertible Bond – Debt and Convertible Bond –

Derivative. At the time of recognition (Dec 2021) the $55m bonds were split, $39,175,363 for the Debt Component and $15,824,637 for the Derivative Component.

In order to value the derivative component, Pantheon engaged a third party expert valuation specialist group to perform the valuations, who determined that the valuation of the instrument required a Monte Carlo simulation of share price outcomes over the 5 year life to determine the ultimate value of the conversion option. This produced a calculated Effective Interest Rate ("EIR") of 20.41%. For the year end date of 30 June 2023, the third party expert valuation group performed their Monte Carlo simulation and valuation calculations to determine the new value for the equity component to be $407,566. The resulting movement of $11,321,514 was posted to the consolidated statement of comprehensive income to the account "Revaluation of derivative liability". These amounts will be revalued every balance date with the differences being accounted for in the consolidated statement of comprehensive income.

As at 30 June 2023 six quarterly repayments (amortisations) have been made, and in all cases ordinary shares were issued in full settlement.

At 30 June 2023 the Unsecured Convertible Bond is shown in the Consolidated Statement of Financial Position in the following categories;

Convertible Bond – Debt Component (Current Liability)	$9,755,688
Convertible Bond – Debt Component (Non-current Liability)	$16,619,062
Convertible Bond – Derivative Component (Non-current Liability)	$407,566
Total	$26,782,316

17. Property Plant and Equipment

Group and Company	Office Equipment $	Right of Use Assets $	Total $
Cost			
At 30 June 2021	16,099	103,913	120,012
Additions	3,368	111,949	115,317
At 30 June 2022	19,467	215,862	235,329
Exchange Difference	(1,068)	(3,216)	(4,284)
Additions	3,113	-	3,113
At 30 June 2023	21,512	212,646	234,158
Depreciation			
At 30 June 2021	16,098	73,605	89,703
Depreciation for the year	303	54,472	54,775
Exchange difference	1	(840)	(839)
At 30 June 2022	16,402	127,237	143,639
Depreciation for the year	1,869	55,700	57,569
Exchange difference	(1,206)	(4,414)	(5,620)
At 30 June 2023	17,065	178,523	195,588
Net book value			
As at 30 June 2023	4,447	34,123	38,570
As at 30 June 2022	3,065	88,625	91,690

18. Share Capital

	2023 $	2022 $
Allotted, issued and fully paid: 907,206,399 (2022: 767,705,537) ordinary shares of £0.01 each	12,464,677	10,720,459

Issued share capital:	Number	Issued and fully paid capital $
As at 30 June 2023		
907,206,399 ordinary shares of £0.01 each (2022: 767,705,537)	907,206,399	12,464,677
Total	907,206,399	12,464,677

A summary of movements in share capital is summarised in the table below.

Movement in ordinary shares	**Number**	**Share Capital $**	**Share Premium $**
As at 1 July 2022	**693,258,674**	**9,739,203**	**208,683,935**
September 21 - Exercise of share options	1,950,000	26,959	700,927
October 21 - Exercise of share options	1,000,000	13,757	398,953
December 21 - Equity fundraising - issue of new shares	48,218,529	638,462	40,861,537
January 22 - Exercise of share options	2,575,000	34,983	945,247
February 22 - Partial Conversion of Unsecured Convertible Bonds	1,937,608	26,319	2,026,527
March 22 - Exercise of Warrants	4,803,922	65,540	1,900,657
March 22 - Settlement of 1st quarterly principal & interest repayment of Convertible Bond	3,080,798	40,263	3,100,247
March 22 - Partial Conversion of Unsecured Convertible Bonds	3,681,457	45,970	3,539,717
May 22 - Exercise of share options	4,375,000	54,998	1,597,774
June 22 - Settlement of 2nd quarterly principal & interest repayment of Convertible Bond	2,824,549	34,005	2,618,365
As at 30 June 2022	**767,705,537**	**10,720,459**	**264,879,194**
September 22 - Convertible Bond: Third Amortisation	2,800,813	33,894	2,857,106
December 22 - Convertible Bond: Fourth Amortisation	3,276,374	39,649	2,826,851
September 22 - Exercise of Share Options	4,525,000	54,759	1,701,259
February 23 - Conversion of 100% of RSUs	290,000	3,685	178,744
March 23 - Convertible Bond: Fifth Amortisation	9,257,328	117,645	2,724,354
May 23 - Placement - First Tranche	95,395,134	1,192,010	19,072,158
May 23 - Placement - Second Tranche	8,783,893	109,759	1,756,146
June 23 - Convertible Bond: Sixth Amortisation	15,172,320	192,816	2,624,684
As at 30 June 2023	**907,206,399**	**12,464,677**	**297,830,078**

19. Net cash outflow from operating activities

	Group 2023 $	Group 2022 $
Loss for the year	(1,446,687)	(13,951,984)
Net interest received	(338,205)	(42,674)
Share Based Payments non-cash expense	3,146,170	8,256,575
Depreciation of office equipment	1,869	303
Depreciation of right of use assets	55,700	54,472
Interest Expense	6,111,118	4,640,537
Convertible Bond – Revaluation of derivative liability	(11,321,514)	(4,310,773)
Other provisions – irrecoverable VAT	7,302	535,040
Decrease/ (increase) in trade and other receivables	(61,076)	11,430
(Decrease)/Increase in trade and other payables	(4,648,183)	7,235,337
Effect of translation differences	(3,041,194)	(1,347,435)
Taxation	138,844	(2,022,334)
Net cash outflow from operating activities	(11,395,855)	(941,506)

	Company 2023 $	Company 2022 $
Profit / (Loss) for the year	3,399,226	(11,963,260)
Net interest received	(337,894)	(42,674)
Share Based Payments non-cash expense	3,146,170	8,256,575
Depreciation	1,869	303
Depreciation of right of use assets	55,700	54,472
Interest Expense	6,111,118	4,640,537
Convertible Bond – Revaluation of derivative liability	(11,321,514)	(4,310,773)
Other provisions – irrecoverable VAT	7,302	535,040
Increase in trade and other receivables	(56,878)	(1,034)
(Decrease) / Increase in trade and other payables	(1,324,123)	2,141,889
Effect of translation differences	(1,118,080)	(1,142,868)
Net cash outflow from operating activities	(1,507,104)	(1,831,793)

20. Control

No one party controls the Company.

21. Decommissioning expenditure

Plug & Abandonment

The Directors have considered the environmental issues and the need for any necessary provision for the cost of rectifying any environmental damage, as might be required under local legislation. As at 30 June 2023 the Group has fully provided for the future plug and abandonment charges in relation to its wells on the Alaskan North Slope. Where a well will be used as a future disposal well then this is taken into account.

The Group provides for the estimated costs of future plug/abandonment and environmental remediation and rehabilitation for all wells drilled if not abandoned at that time, and for the estimated costs of future decommissioning, remediation and rehabilitation costs for the gravel pad at Alkaid #2 at such time as those wells/pad(s) come to the end of their respective useful life. By way of example, in a case where a successful well produces hydrocarbons for a period of 15 years, then the abandonment/rehabilitation provision would be made at the time the well is completed and comes on stream, however, the actual expenditure would occur when the works are performed in 15 years' time, ie the provision is made today for work expected in 15 years' time. Similarly, the end of the life of the gravel pad supporting Alkaid#2 and future wells drilled from that location, would occur at such time as all producing wells have depleted and the pad would serve no further purpose.

	Group 2023	**Group 2022**
Alaska	**$**	**$**
Alkaid Well	666,000	666,000
Alkaid #2 Well	2,970,400	2,970,400
Talitha #A Well	1,564,000	864,000
As at 30 June	5,200,400	4,500,400

22. Exploration and evaluation commitments

There were no firm drilling commitments at 30 June 2023. The group has an obligation to perform additional downhole isolation work to suspend the Talitha #A well, for future re-entry. Work must be completed by June 2024. The estimated capital commitment to perform this work is $700,000.

23. Financial instruments

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivables and trade and other payables. Financial assets and liabilities are initially measured at fair value plus transaction costs.

The main purpose of cash and cash equivalents financial instruments is to finance the Group's operations. The Group's other financial assets and liabilities, such as receivables and trade payables, arise directly from its operations. It is, and has been throughout the entire period, the Group's policy that no trading in financial instruments shall be undertaken.

The main risk arising from the Group's financial instruments is market risk. Other minor risks are summarised below. The Board reviews and agrees policies for managing each of these risks.

Market risk

Market risk is the risk that changes in market prices, and market factors such as foreign exchange rates and interest rates will affect the entity's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Sensitivity Analysis – how does foreign exchange and interest rate changes affect income

The Oil and Gas operational activities of the group are pre-production. The revenue earned this financial year was a one-off, resulting from flow testing for a limited period of time; this testing has now ceased and is non-repetitive. Hence, there is very limited potential impact on income and no impact on equity.

Sensitivity Analysis – how does foreign exchange and interest rate changes affect holdings in financial instruments

Regarding the cash at bank, the interest receivable is a function of the interest rate that the depositing bank assigns to the account. There is limited potential impact on income and no impact on equity.

Interest rate risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's cash and cash equivalents with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. The Group managed its cash balance by applying certain non committed cash deposits to higher yielding short term deposit accounts, yielding c. 5% per annum on those deposits towards the end of the financial year when interest rates had risen. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

In regard to its interest rate risk, the Group continuously analyses its exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates. The Group has no policy as to maximum or minimum levels of fixed or floating instruments.

The Convertible Bond has a fixed interest coupon rate payable of 4% per annum. This rate is fixed throughout the life of the bond. However, due to the presence of a derivative component within the convertible bond as described in Note 16, from an accounting perspective an Effective Interest Rate of 22.15% has been calculated to apply to the debt component of the convertible bond and has been charged to the Income Statement.

Interest rate risk is measured as the value of assets and liabilities at fixed rate compared to those at variable rate.

	Weighted average interest rate 2023	**Fixed interest rate 2023**	**Non-interest bearing 2023**
Financial assets:	**%**	**$**	**$**
Cash on deposit	1.5		1,142,728
Trade and other receivables	-	-	-

Net fair value

The net fair value of financial assets and financial liabilities approximates to their carrying amount as disclosed in the statement of financial position and in the related notes.

Currency risk

The functional currency for the Group's North American operating activities and exploration activities is the US dollar. The Group incurs general administration and advisory expenses in the Parent Company in Pounds Sterling, which is its functional currency. The Group does not use derivative products to hedge foreign exchange risk and has exposure to foreign exchange rates prevailing up to the dates when funds are transferred into different currencies. The Group raises equity capital in Pounds Sterling and converts the majority of this to US dollars to minimise currency risk. The Group continues to keep the matter under review.

The convertible bond is denominated in US dollars with all repayments paid in US dollars. Quarterly repayments are made, at the Company's election, either in cash or shares. When paid in shares the Relevant Share Settlement Price of shares for the purpose of the calculation is the lower of a 10% discount to the 3 day or 10 day volume weighted average share price (VWAP) or a predetermined reference price, currently US$0.9096. For the purpose of calculating VWAP, the daily USD/GBP exchange rate is applied, introducing a currency risk which may or may not result in a differing number of shares being used to settle a repayment, dependent upon the exchange rate.

Financial risk management

The Directors recognise that this is an area in which they may need to develop specific policies should the Group become exposed to wider financial risks as the business develops.

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances to ensure the Group can meet liabilities as they fall due.

In managing liquidity risk, the main objective of the Group is therefore to ensure that it has the ability to pay all of its liabilities as they fall due. The Unsecured Convertible Bond liabilities can, at the Company's election, be met through the issuance of ordinary shares rather than cash. The Group monitors its levels of working capital to ensure that it can meet its liabilities as they fall due. The Group monitors its liquidity position carefully and considers equity fundraising, debt or farmouts when additional liquidity is required.

The table below shows the undiscounted cash flows on the Groups financial liabilities as at 30 June 2023 and 2022, on the basis of their earliest possible contractual maturity.

	Total $	Payable on demand $	Within 1-3 months $	Within 3-6 months $	Within 6-12 months $	Greater than 1 year $
As at 30 June 2023						
Trade creditors	251,617	-	251,617	-	-	-
Accruals	2,588,994	-	2,588,994	-	-	-
Lease liabilities	36,435	-	15,365	15,740	5,330	-
Unsecured Convertible Bond	34,300,000	-	2,940,000	2,915,500	2,891,000	25,553,500
Provisions	6,017,238	566,838	-	-	-	5,450,400
	43,194,284	566,838	5,795,975	2,931,240	2,896,330	31,003,900
As at 30 June 2022						
Trade creditors	79,417	-	79,417	-	-	-
Accruals	6,298,569	-	6,298,569	-	-	-
Lease liabilities	90,301	-	13,354	13,680	28,405	34,862
Other liabilities	1,964,441	-	1,964,441	-	-	-
Unsecured Convertible Bond	48,289,500	-	2,891,000	2,866,500	5,659,500	36,872,500
Provisions	5,285,440	535,040	-	-	1,780,000	2,970,400
	62,007,668	535,040	11,246,781	2,880,180	7,467,905	39,877,762

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group has adopted a policy of only dealing with what it believes to be creditworthy counterparties and would consider obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread across approved counterparties.

The maximum exposure to credit risk is $2,559,522 (2022: $2,498,447).

Capital management

The Group's capital management objectives are:

- To provide long-term returns to shareholders
- To ensure the Group's ability to continue as a going concern

The Group defines and monitors capital to ensure that the Company meets its objectives above, focussing on long-term share price growth, long term growth in production and resources, and a short-term requirement to ensure a going concern.

The Board of Directors monitors the available capital as well as the Group's commitments and adjusts the level of capital as is determined to be necessary by issuing new shares. The Group is not subject to any externally imposed capital requirements.

These policies have not changed in the year. The Directors believe that they have been able to meet their objectives in managing the capital of the Group.

24. Share-based payments

Movements in share options in issue

Exercise price	Number of options as of 30 June 2022	Issued during year	Expired / Exercised during year	Number of options as of 30 June 2023
£0.30[1]	8,125,000	-	(3,300,000)	4,825,000
£0.27[3]	7,900,000	-	(900,000)	7,000,000
£0.33[4]	12,430,000	-	-	12,430,000
£0.67[5]	21,705,000	-	(325,000)	21,380,000
Total	50,160,000	-	(4,525,000)	45,635,000

Movements in share warrants in issue

Exercise price	Number of warrants as of 30 June 2022	Issued during year	Expired / Exercised during year	Number of warrants as of 30 June 2023
£0.30[2]	4,803,921	-	-	4,803,921
Total	4,803,921	-	-	4,803,921

Movements in restricted stock units

	Number of units issued as of 30 June 2022	Issued during year	Expired / Exercised during year	Number of units as of 30 June 2023
£0.675[6]	290,000	-	290,000	-
Total	290,000	-	290,000	-

(1) Fully vested. Issued 2014. Expire September 2024. Exercise price £0.30/share. Previously fully expensed.

(2) Fully vested. Issued 2019. Exercisable into non-voting shares, which are convertible into ordinary fully paid shares on a 1:1 basis. Expire September 2024. Exercise price £0.30/share. Previously fully expensed.

(3) Fully vested and expire on the 6 July 2030. Issued 2020. Exercise price £0.27/share. Previously fully expensed.

(4) Fully vested and expire on 27 January 2031. Issued 2021. Exercise price £0.33/share. Previously fully expensed.

(5) Fully vested and expire 14 January 2027. Issued 2022. Exercise price £0.671/share.

(6) All 290,000 RSUs converted 1:1 into ordinary shares during the year.

The Group has previously granted share options to directors, employees and consultants under the Staff share option plan, although none have been granted since January 2022. Such share options are equity settled share-based payments as defined in IFRS 2 Share-based payments. A recognised valuation methodology (using the Black-Scholes valuation model) was employed to determine the fair value of options granted with the associated charge being expensed to the Income Statement on a pro rate basis based on vesting. The weighted average exercise price of share options outstanding and exercisable at the end of the period was £0.484 (2022: £0.463).

In 2019 the Group issued 9,607,843 warrants as part of the consideration for the acquisition of Great Bear Petroleum. The terms of these warrants mirror the terms of the share options referenced in footnote (1) above, however upon exercise they convert on a 1:1 basis into non-voting shares as opposed to ordinary shares. 4,803,921 of these remain unexercised at period end.

The Share Option and Restricted Stock Units expense charge to the Consolidated Statement of Comprehensive Income for the year ending 30 June 2023 is $3,146,170 (2022: $8,256,575) which represented the pro rata Black-Scholes-derived charge (share options) and account charge (RSUs) attributable to the year with respect to previously issued share options and RSUs.

The equity reserve account represents current year expenses for unexpired options and warrants and the historical balance on vested option and warrants.

25. Related party transactions

There were no related party transactions during the year other than the payment of remuneration.

26. Contingent Liabilities

Pursuant to IAS 37, a contingent liability is either: (1) a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of some uncertain future event not wholly within the entity's control, or (2) a present obligation that arises from a past event but is not recognized because either: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or (ii) the amount of the obligation cannot be measured with sufficient reliability.

Kinder Morgan Treating L.P. ("Kinder Morgan") initiated a dispute over an East Texas gas treating agreement between Kinder Morgan and Vision Operating Company, LLC ("VOC"). VOC ceased making payments to the service provider in July 2019. The service provider subsequently issued a demand to VOC and, in February 2021, served Pantheon Resources plc with a petition, seeking to recover not less than $3.35m in respect of this VOC contract. Pantheon held ownership of less than 0.1% of VOC via a 66.6% interest in Vision Resources LLC. Both Vision Resources LLC and VOC filed for Chapter 7 Bankruptcy in the United States Bankruptcy Court for the Southern District of Texas Houston Division in April 2020

No Pantheon entity is a signatory to the gas treating agreement and none are named in the agreement. Pantheon has taken legal advice on the matter and believes it has no liability to the service provider. Accordingly, Pantheon does not consider a provision should be included with the final statements and will contest any claim made.

In, July 2021, the court dismissed Kinder Morgan's claims against Pantheon Resources plc. Kinder Morgan has also asserted the same claims against two subsidiaries, Pantheon Oil & Gas, LP and Pantheon East Texas, LLC. Pantheon Oil & Gas, LP and Pantheon East Texas, LLC are contesting these claims.

27. Reserves

Share Capital

The share capital account represents the consideration received for the shares issued at their nominal or par value.

Share Premium

The share premium reserve represents the excess of consideration received for shares issued above their nominal value net of transaction costs.

Retained Earnings

Retained losses represent the cumulative profit and loss.

Currency Reserve

The currency reserve represents the foreign exchange gains and losses that have arisen on the translation of £GBP into $USD.

Share-Based Payments Reserve

The share-based premium reserve represents the cumulative charge for options and RSUs granted, still outstanding and not exercised.

28. Revenue

For year ended 30 June 2023, the Alaska CGU recognized gross revenue of $803,689 from sales of oil produced during an extended production test. Sales during a test period are recognized as revenue under IAS 16-20. Associated cost of sales including, processing, transportation, royalty, and tax totaled $673,290.

29. Other Income

The Employee Retention Credit (ERC) – sometimes called the Employee Retention Tax Credit or ERTC – is a refundable tax credit for businesses and tax-exempt organizations that had employees and were affected during the COVID-19 pandemic.

30. Translation differences

The financial statements for the Group and the Company are presented in US Dollars (“$”) and this is the Group’s Presentation currency. The Functional currency of all entities within the Group, excluding the Parent Company, is $USD. The Functional currency of the Parent Company is £GBP.

The assets, liabilities of the Parent Company are translated into US dollars at the rates of exchange ruling at the year end. The income and expenses of the Parent Company are translated into US dollars at the average rates of exchange during the year. Exchange differences resulting from the retranslation of currencies are shown in the “Other Comprehensive Income for the Year” section of the Statement of Comprehensive Income and are treated as movements on reserves.

31. Reconciliation of liabilities arising from financing activities and major non-cash transactions

Significant non-cash transactions, from financing activities in relation to unsecured convertible bond, are as follows:

Unsecured Convertible Bond	**Group 2023 $**
Opening Balance 1 July 2022	43,292,594
Non-cash flow Bond amortisation	(11,417,000)
Non-cash flow Forex movement	122,864
Non-cash flow Interest	6,105,372
Non-cash flow Revaluation of Derivative Liability	(11,321,514)
Closing Balance 30 June 2023	26,782,316

Significant non-cash transactions from financing activities in relation to raising new capital are disclosed in note 18.

There were no significant non-cash transactions from investing and operating activities in the current year.

32. Subsequent events

In July 2023, Allegra Hosford Scheirer was appointed as an independent non-executive director. Allegra has a Ph.D in marine geology and geophysics from MIT and for the past 15 years has been a co-director of the Basin Processes and Subsurface Modelling Consortium at Stanford University.

In late August 2023, Pantheon received an Independent Expert Report from Netherland Sewell & Associates ("NSAI") certifying a 2C Contingent Resource of 962.5 million barrels of marketable liquids (oil, condensate, NGLs) on its Kodiak project. NSAI have been contracted to provide an Independent Expert Report on its Ahpun project, expected in Q2 2024.

In August 2023 Pantheon outlined its updated Corporate strategy, describing its plans to move towards FID at Ahpun by end 2025 and Kodiak by end 2028. As part of this the Company announced that it had commenced the process to achieve a hot-tap into the trans Alaska Production System, and outlined an estimation of capex required to meet various milestones. There are described in greater detail in the CEO & Chairman's reports at the beginning of this document.

In September 2023, Pantheon announced a private placement to a long term shareholder, IPGL, approximately for 11.9 million shares at £0.1878 per share to raise $2.793 million, being the exact amount due for the September 2023 quarterly Convertible Bond repayment, enabling the Company to make the repayment to the bondholder in cash, rather than shares. The net result was materially similar dilution to having made the bond repayment in shares, however IPGL was considered to be a longer term shareholder and less likely to dispose of the shares.

In late September 2023, Pantheon re-entered the Alkaid-2 wellbore to conduct a fracture stimulation operation and flow test on the shallower and independent Shelf Margin Deltaic (SMD) horizon in the Alkaid-2 wellbore. The operation had 3 primary objectives; (i) to obtain the best possible fluid samples for PVT analysis, (ii) to determine initial reservoir pressure, and (iii) to test the effectiveness of the revised frac design. In October 2023, Pantheon announced that all three objectives were successfully achieved, with the frac efficiency estimated at c.50%, a material improvement over the estimated 20% efficiency in the deeper Alkaid test. The gas oil ratio was also significantly better than that experienced in the deeper Alkaid test. These improvements are considered to have very positive implications for future project economics.

In November 2023 Pantheon announced that it was seeking to appoint an additional independent non-executive director, and was presently in the screening process.

In December 2023, Pantheon announced a private placement of approximately 16.3 million shares at £0.208 per share to raise $4.15 million, to allow the Company the ability to pay the December 23 Convertible Bond repayments of $2.8m in cash rather than shares, which has now occurred. Receipt of the $4.15m placing proceeds is expected in late January 2024. This action was believed to remove the perceived overhang of shares while the Company continues to mature potential vendor and offtaker financial funding options and to seek to minimise dilution to shareholders.

In December 2023 Pantheon announced the appointment of a new independent non-executive director, Linda Havard, to the board of Directors, effective 1 January 2024. Linda has decades of experience in financial/CFO roles, and an MBA in Finance and a Ph.D. in Business. Linda will chair the Company's Audit Committee.

In Dec 2023 Pantheon was the successful bidder on 66,240 acres in the State of Alaska's 2023 North Slope Areawide Lease Sale. The leases capture additional reservoir potential to the west of the Company's existing acreage in the Kodiak field, and to the east of Ahpun. The new acreage contains material resource potential and classification of the potentially recoverable resources will be determined in the coming months in consultation with NSAI and SLB. Full details are contained in the Company's RNS dated 14 December, 2023.

GLOSSARY

bbl	barrel of oil	mcfd	thousand cubic feet per day
bopd	barrels of oil per day	Mmboe	million barrels of oil equivalent
mmbo	million barrels of oil	NPV	net present value
boepd	barrels of oil equivalent per day	NPV10	net present value at 10%pa discount rate
mcf	thousand cubic feet	$	United States dollar
NCI	non-controlling interest	OIP	Oil in place
FID	Final Investment Decision		
NGL	Natural Gas Liquids		