

ASX ANNOUNCEMENT
18 February 2021

TALITHA A# WELL OPERATIONS UPDATE

- Talitha A# well Operator Pantheon Resources has announced an Operations update for the well.
- Otto Energy has previously announced that it has agreed to sell its Alaskan assets, containing a 10.8% Working Interest (WI) in the Talitha Unit to Pantheon Resources Plc in exchange for 14,272,592 shares in Pantheon Resources Plc ¹

Otto Energy Limited (ASX: OEL) (Otto) is pleased to announce that Talitha A# well Operator Pantheon Resources has provided an Operations update in relation to the well.

Attached to this announcement is the Pantheon Resources Operational Update.

Otto previously announced on January 20th 2021, that it had agreed to sell subsidiary Borealis Alaska LLC containing a 10.8% WI in the Talitha Unit to acreage Operator Pantheon Resources in exchange for 14,272,592 shares in Pantheon Resources Plc (London Stock Exchange: PANR) with the sale subject to Alaskan DNR approval. These shares are subject to a lock up period through 30 June 2021.

These shares are valued at approximately US\$8.5 MM as at 16 February 2021. ²

Otto Executive Chairman, Mike Utsler, commented: *“Otto congratulates Pantheon Resources on the success of this well to date and we wish them good luck with the upcoming well test operations. Otto shareholders should be encouraged by this result.”*

This release has been approved by the Executive Chairman on behalf of the Board of Otto Energy.

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¹ This sale is conditional upon approval by the Alaska Department of Natural Resources.

² Based on PANR closing share price of 42.9 pence and a 1.3914 US\$ to GBP exchange rate

15 February, 2021

Pantheon Resources plc
Talitha #A - Operations Update
Target depth reached - four distinct oil-bearing zones identified
Moving to testing phase

Pantheon Resources plc ("Pantheon" or "the Company"), the AIM-quoted oil and gas exploration company with a 100% working interest¹ in a number of oil projects adjacent to transportation and pipeline infrastructure on the Alaska North Slope is pleased to provide the following update on the Talitha #A well.

Talitha #A update (100% working interest)¹

The Talitha #A well has successfully reached target depth at 10,452 ft. The well has been logged and sidewall cores taken, which have been sent to third party labs for assaying. The Company cautions that all analysis is preliminary at this stage, and testing is required before making any definitive assessments. Based on preliminary analysis, the well has penetrated all objective formations and encountered oil in each of them. Four distinct oil-bearing zones have been identified described in more detail below. The current plan is to test the Shelf Margin Deltaic ("SMD"), Basin Floor Fan (two separate zones) and the Kuparuk zones. Testing all zones is critical to determine ultimate commerciality.

1. Shelf Margin Deltaic

As predicted, Talitha #A encountered the SMD approximately 600 ft up dip from the zone as seen in the analogous Pipeline State #1 ("PS#1") well, four miles to the east. The PS#1 well was not tested when drilled in 1988 due to economic and other commercial factors at the time, however based upon core analysis and mudlogging it is believed that the SMD would likely be a commercial reservoir in that well.

In Talitha #A, the gross oil bearing reservoir interval encountered at 6,500 ft, was in line with predrill expectations for thickness, featuring 155 ft of interbedded sand and shale, which is positive, however does not indicate an improvement to that of the PS#1 well.

2. Slope Fan

Lying immediately beneath the SMD zone is the Slope Fan system at 7,830 ft to 8,050 ft. Talitha #A encountered interbedded, oil bearing sands and shales that will be assessed in more detail with the modern logs that have been obtained across this interval. The Slope Fan was classified as a secondary target in this well due to its suboptimal location on the structure, with the principal objective being to gather data to assess the Slope Fan across the Company's acreage. The Slope Fan at Talitha #A encountered oil which has positive ramifications for the Company's broader acreage position, however based upon preliminary analysis we do not plan to test this zone at this location.

3. Basin Floor Fan

Talitha #A encountered multiple oil-bearing reservoir sand successions throughout a 1,550 ft section from 8,100 ft to 9,650 ft. It was known that the Talitha #A well was not positioned optimally for the Basin Floor Fan which, as mapped on seismic data, continues up dip for several miles north west and has been the basis of Pantheon's leasing activity over the last two State annual lease sales. The encountered oil column thickness was larger, with higher net to gross sand, than expected. This is potentially very significant for the Basin Floor Fan, not only at Talitha, but also at the Company's Theta West project.

The Company intends to test two distinct oil-bearing zones within the Basin Floor Fan as outlined below:

(a) The Upper Basin Floor Fan

Talitha #A penetrated approximately 125 ft of high quality, oil bearing reservoir section in the upper portion of the Basin Floor Fan some 500 ft up dip from the analogous PS#1 well. Preliminary analysis indicates this section has the potential to be significant if testing is successful.

(b) The Lower Basin Floor Fan

The lower Basin Floor Fan sequence exceeded pre-drill expectations, with higher net to gross than at the PS#1 well with similar reservoir characteristics. The lower sequence is over 1,000 ft thick with interbedded, oil bearing reservoir sands and shales. This zone as mapped on seismic data extends over more than 80,000 acres on Pantheon acreage and hence, if successful, its potential is extremely large, extending updip into the Company's Theta West project. There are now two wellbore penetrations through this oil-bearing sequence in distal locations. The Company plans to test a zone in this large Lower Basin Floor Fan with the aim of proving producible oil at this downdip location.

4. **Kuparuk**

Talitha #A penetrated over 100 ft of Kuparuk approximately 400 ft updip from the PS#1 well at a depth of 10,050 ft. The top 55 ft of this interval calculates as good reservoir quality, meeting pre-drill estimates of thickening Kuparuk and improving reservoir quality. This result expands the potential for the Kuparuk across the Company's acreage both in the Talitha Unit and updip to the west on acreage acquired at the January 2021 area wide lease sale. Testing is the next step for the Kuparuk, which has the potential, if successful, to be a significant oil field on its own.

¹ *The transfer of the 10.8% WI acquired from Otto Energy remains conditional upon approval by the Alaska Department of Natural Resources.*

Bob Rosenthal, Technical Director, stated: *"We are very encouraged with operations to date; it's definitely a case of 'so far, so good'! We have penetrated all our objective formations and encountered oil in each of them - this is a great result so far. Drilling has gone smoothly and we have a borehole in good condition which has allowed us to obtain valuable, high quality data to formulate a testing program in all our zones of interest. As always, we caution that testing is critical to establish the commercial viability of the oil that appears present in the Talitha structure. Preliminary analysis suggests that the well has multiple horizons with potential to be commercial, but is not yet proven and we remain cautiously optimistic. The Talitha #A location was selected to test the primary SMD zone in the optimal location whilst penetrating as many of the other secondary targets acknowledging their respective suboptimal locations, and to test whether they were oil bearing."*

"Successfully recovering oil to surface from these zones will be important in moving prospective resources (i.e. exploration) to contingent resources (i.e. discovered) and confirming the potential commerciality of major oil accumulations within the Talitha structure. The discovery of significant quantities of oil in this location would have very important ramifications for future exploration in the area. Talitha is close to the Trans Alaska Pipeline and Dalton Highway which significantly enhances the economic value of any discovered oil."

Jay Cheatham, CEO, stated: *"Our preliminary analysis suggests that this is a great result for our Company. Although the reservoir quality of the SMD did not improve from the PS#1 as we had hoped, it still has the potential to be a very good result. We'll test it and make a more detailed assessment at that point. We were pleasantly surprised in the Basin Floor Fan and Kuparuk formations. The Kuparuk Formation is a major regional producer in the north legacy portion of the North Slope. If successful, the extension of this prolific producer to the southern areas not only opens up a potentially large oil accumulation for Pantheon but also opportunities for the industry in general."*

"We've often said that any one of the four zones at Talitha could be Company makers, and we have three contenders in the SMD, Basin Floor Fan and Kuparuk, all of which show great promise. As always, we must wait until testing is completed before we can make any definitive assessments, but at this time I would say Talitha #A has met or exceeded our expectations thus far."

-Ends-

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In accordance with the AIM Rules - Note for Mining and Oil & Gas Companies - June 2009, the information contained in this announcement has been reviewed and signed off by Jay Cheatham, a qualified Chemical & Petroleum Engineer, who has over 40 years' relevant experience within the sector.

Glossary

Net to gross is the total amount of pay footage divided by the total thickness of the reservoir interval