Company Number 05385506
Incorporated in England & Wales

PANTHEON RESOURCES PLC

INTERIM REPORT (UNAUDITED)

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

Company Statement

Pantheon's strategic goal remains to achieve sustainable market recognition of $5 or more per barrel of proved resource by late calendar year ("CY") 2028. The Company aims to achieve this by progressing its Ahpun and Kodiak developments with the Final Investment Decision ("FID") for the Ahpun project targeted to occur near the end of CY 2027 and first production beginning the following year. Flow testing of the Megrez-1 well, taking place over the next few months, will inform future development planning for the Ahpun area, and may lead to further appraisal of the shallower, potentially higher quality reservoir zones. The significant progress made during the first half of fiscal year ("FY") 2025 has reinforced our confidence that these goals are achievable, and we will endeavour to do so in the manner least dilutive to shareholders.

Highlights

During the first six months of FY 2025 and the subsequent period to date, Pantheon achieved the following goals:

- Appointed accomplished energy executive Max Easley as Chief Executive Officer, succeeding Jay Cheatham
- Agreed a $35.0 million convertible bond issuance, led by Sun Hung Kai & Co. Ltd., expected to close by the end of March 2025
- Drilled the Megrez-1 test well as an appraisal of the Ahpun East project area – Megrez-1 exceeded pre-drill expectations with total of 1,340 ft of interpreted net pay
- Continued progress on development planning to support the goal of Ahpun FID towards the end of CY 2027
- Saw materially increasing support from federal and state governments on Phase 1 of the Alaska LNG project (the gas pipeline component) that is anticipated to be supplied under terms of the Gas Sales Precedent Agreement between the Company and pipeline proponents
- Continued preparations towards a U.S. listing aimed at leveraging the results of the Megrez-1 well, to support the goal to maximise shareholder value while minimising potential dilution

Progress Overview in First Half FY 2025 and Subsequent Period

In February 2025, accomplished energy executive Max Easley succeeded Jay Cheatham as Chief Executive Officer (CEO) and joined the board of the Company. Max's 30 years in the oil and gas industry, including his extensive experience on Alaska's North Slope and leadership experience with BP, Apache Corporation and PETRONAS Canada, equips Pantheon with a highly experienced strategic and operating capability as it shifts from exploration and appraisal to development and production.

In August 2024, Pantheon raised $29 million in gross proceeds through an equity issuance at 17 pence per ordinary share. In the past three quarters, the Company issued equity to reduce the balance on the unsecured convertible bonds issued in December 2021 and amortising through to June 2026 ("Existing Convertible Bonds"); at the time of publication of this report, the balance owed had been reduced to $12.25 million. In February 2025, Pantheon entered into binding agreements with Hong Kong group Sun Hung Kai & Co. Limited for a gross total of $35 million in senior convertible bonds due March 2028 ("New Convertible Bonds"). Per the terms of the agreement, the funding will close by the end of March 2025. The New Convertible Bonds provide an investor conversion price of $0.8675 and an issuer conversion right after 12 months if the Company's share price exceeds $1.119. Coupled with cash on hand, this capital will allow Pantheon the flexibility to execute upon its planned operational goals for at least the next 12 months.

In November 2024, Pantheon spudded the Megrez-1 well, using the Nabors 105AC rig located on a gravel well pad adjacent to the Dalton Highway. The initial targets were three separate zones estimated by Management to contain an aggregate 2U Prospective Resource of 609 million barrels of ANS Crude (oil, condensate & NGLs) and 3.3 trillion cubic feet ("Tcf") of natural gas. In the Company's news release dated 22 January 2025, Pantheon confirmed that it had encountered seven horizons together comprising a column of 1,340 vertical feet of net oil pay, exceeding pre-drill estimates; the deepest of these horizons begin at Topset 3 in the Upper Schrader Bluff and continues up to the shallowest in the Lower Sagavanirktok 3.

Following extensive analysis of information gathered during drilling of the well, Pantheon estimates a potential 15% - 50% increase in resource estimates vs. the pre-drill estimate of 609 million barrels across the deepest horizons. Estimates of recoverable resources in the Lower Sagavanirktok horizons would be subject to information gathered during flow testing, if successful. Having cut whole core across the deepest topset (the Upper Schrader Bluff TS 3), the added value of testing this zone was considered low and so completion and flow test activities in the six shallowest zones are commencing. Successful flow tests will reinforce the case for early development of Ahpun to achieve financial self-sufficiency but may also support a truly conventional development in the shallowest horizons, analogous to the Pikka and Willow fields already under development on the North Slope of Alaska. Pantheon's advantaged location, adjacent to the Trans-Alaska Pipeline System (TAPS) and bordering the Dalton Highway and the proposed route of the Alaska LNG gas pipeline, gives the Company a material advantage over the more remote locations of the aforementioned fields, with shorter timelines to first production and up-front capital expenditure requirements being much lower than that of other fields.

The Company has progressed facilities design and regulatory approvals activities towards allowing development of the Ahpun and Kodiak fields. As a result of this work, the FID on the Ahpun project is expected towards the end of CY 2027, with the FID on the Kodiak project forecasted by CY 2029. Consistent with these targeted dates, the first Ahpun production is planned during CY 2028.

Financing Overview and Uplisting to a Senior U.S. Exchange

A U.S. senior exchange listing remains a top management priority, with Pantheon making continued progress towards a Q4 CY 2025 or Q1 CY 2026 completion. The progress includes translating prior period IFRS financial statements into U.S. GAAP and the subsequent auditing thereof, and the implementation of more robust internal controls and systems to comply with the U.S. Sarbanes-Oxley Act. In addition, the Company has continued to consolidate its management team at the Company's U.S. offices in Houston, Texas.

The New Convertible Bonds satisfy the goal of sourcing funds during the first quarter of CY 2025 meaning that the Company will be fully funded for its committed activities during the next 12 month period. Owning a 100% working interest in all its leases provides flexibility for potential future funding through asset level transactions, and the Company is working with its U.S. investment banking advisors to explore these opportunities alongside other potential alternatives.

Pantheon fully recognises that securing the financing necessary to develop a globally significant resource base is seen as a key hurdle, and the Company is working diligently to demonstrate the least dilutive path possible to financial self-sufficiency. Pantheon further recognises that success will cause the prospect of commercial development to become more apparent to the capital markets community. Ultimately, this strategy has the potential to drive sustainable long-term value creation for our shareholders – the overarching goal of the Pantheon Board of Directors and Management.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2024

	Notes	6 months ended 31 December 2024 (unaudited)	6 months ended 31 December 2023 (restated)	Year ended 30 June 2024 (audited and restated)
	3	**$**	**$**	**$**
Continuing operations				
Revenue		-	13,393	13,393
Cost of sales		-	(7,152)	(7,153)
Gross profit		-	6,241	6,240
Administration expenses		(4,586,628)	(4,035,323)	(8,773,748)
Share Based payment expense		(25,935)	-	-
Operating loss		(4,612,563)	(4,029,082)	(8,767,508)
Interest expense – Convertible Bond and ROU	6	(1,635,221)	(2,589,141)	(4,893,640)
Convertible Bond – Impact of partial early repayment	6	(1,392,606)	-	-
Convertible Bond – Revaluation of derivative liability	6	162,837	(1,206,610)	(337,055)
Interest income		581,344	414,446	630,371
Loss before taxation		(6,896,209)	(7,410,387)	(13,367,832)
Taxation		-	-	-
Loss for the period		(6,896,209)	(7,410,387)	(13,367,832)
Other comprehensive income for the period				
Exchange differences from translating foreign operations		(370,617)	(219,659)	(52,924)
Total comprehensive loss for the period		(7,266,826)	(7,630,046)	(13,420,756)
Loss per share from continuing operations:				
Basic and diluted Loss per share	2	(0.62)¢	(0.86)¢	(1.44)¢

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2024

	Share capital	Share premium	Retained losses	Currency reserve	Share based payment reserve	Total equity
	$	$	$	$	$	$
Group						
At 1 July 2024	13,139,392	334,499,828	(82,758,128)	(2,745,784)	14,767,916	276,903,224
Loss for the period	-	-	(6,896,209)	-	-	(6,896,209)
Other comprehensive loss:						
Foreign currency translation	-	-	-	(370,617)	-	(370,617)
Total comprehensive loss for the period	-	-	(6,896,209)	(370,617)	-	(7,266,826)
Transactions with owners						
Capital Raising						
Issue of shares	1,824,928	29,867,732	-	-	-	31,692,660
Cost of share issue	-	(1,542,816)	-	-	-	(1,542,816)
Convertible Bond						
Issue of shares - Amortisation	184,777	2,461,223	-	-	-	2,646,000
Issue of shares – Partial repayment	288,235	4,611,765	-	-	-	4,900,000
Total transactions with owners	2,297,940	35,397,904	-	-	-	37,695,844
Options and Warrants						
Expired Options and Warrants	-	-	873,603	-	(873,603)	-
Options Issued	-	-	-	-	25,175	25,175
Total Options and Warrants	-	-	873,603	-	(848,428)	25,175
Balance at 31 December 2024	15,437,332	369,897,732	(88,780,734)	(3,116,401)	13,919,488	307,357,417

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2024

	Share Capital	Share premium	Retained losses	Currency reserve	Share based payment reserve	Total equity
	$	$	$	$	$	$
Group						
Balance at 1 July 2023	12,464,677	297,830,078	(49,444,331)	(2,692,860)	14,271,042	272,428,606
Prior period adjustment (net of tax) *	-	21,271,338	(19,945,965)	-	496,874	1,822,247
Restated total equity at the beginning of the financial year	**12,464,677**	**319,101,416**	**(69,390,296)**	**(2,692,860)**	**14,767,916**	**274,250,853**
Loss for the period *	-	-	(7,410,387)	-	-	(7,410,387)
Total comprehensive loss for the period *	**-**	**-**	**(7,410,387)**	**-**	**-**	**(7,410,387)**
Other comprehensive income: Foreign currency translation	-	-	-	(219,659)	-	(219,659)
Total comprehensive income for the year	**-**	**-**	**(7,410,387)**	**(219,659)**	**-**	**(7,630,046)**
Transactions with owners						
Capital raising						
Issue of shares	148,722	2,644,275	-	-	-	2,792,997
Total transactions with owners	148,722	2,644,275	-	-	-	2,792,997
Balance at 31 December 2023 *	**12,613,399**	**321,745,691**	**(76,800,682)**	**(2,912,519)**	**14,767,916**	**269,413,805**

***See note 3 for details**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2024

	Share Capital	Share premium	Retained losses	Currency reserve	Share based payment reserve	Total equity
	$	$	$	$	$	$
Group						
Balance at 1 July 2023	12,464,677	297,830,078	(49,444,331)	(2,692,860)	14,271,042	272,428,606
Prior period adjustment (net of tax) *	-	21,271,338	(19,945,965)	-	496,874	1,822,247
Restated total equity at the beginning of the financial year	**12,464,677**	**319,101,416**	**(69,390,296)**	**(2,692,860)**	**14,767,916**	**274,250,853**
Loss for the period *	-	-	(13,367,832)	-	-	(13,367,832)
Total comprehensive loss for the period *	**-**	**-**	**(13,367,832)**	**-**	**-**	**(13,367,832)**
Other comprehensive income: Foreign currency translation	-	-	-	(52,924)	-	(52,924)
Total comprehensive income for the year	**-**	**-**	**(13,367,832)**	**(52,924)**	**-**	**(13,420,756)**
Transactions with owners						
Capital raising						
Issue of shares	466,487	9,837,080	-	-	-	10,303,567
Convertible Bond – amortisation						
Issue of shares	208,228	5,561,332	-	-	-	5,769,560
Total transactions with owners	674,715	15,398,412	-	-	-	16,073,127
Balance at 30 June 2024 *	13,139,392	334,499,828	(82,758,128)	(2,745,784)	14,767,916	276,903,224

***See note 3 for details**

PANTHEON RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	31 December 2024 (unaudited)	31 December 2023 (restated)	30 June 2024 (audited and restated)
	3			
ASSETS		$	$	$
Non-Current Assets				
Exploration and evaluation assets	4	312,671,263	292,192,198	293,635,128
Property, plant & equipment		87,104	8,219	129,200
		312,758,367	292,200,417	293,764,328
Current Assets				
Trade and other receivables & deposits		3,005,769	2,802,902	2,944,543
Cash and cash equivalents		19,317,942	207,124	7,913,862
Fixed term cash deposit		-	7,000,000	-
		22,323,711	10,010,026	10,858,405
Total assets		335,082,078	302,210,443	304,622,733
LIABILITIES				
Current liabilities				
Convertible Bond – Debt	6	9,153,776	9,582,349	7,090,177
Trade and other payables		6,881,951	1,757,257	703,496
Provisions		7,191,400	6,018,291	5,921,030
Lease Liabilities		43,317	5,341	63,395
		23,270,444	17,363,238	13,778,098
Non-current liabilities				
Lease Liabilities		48,790	-	69,028
Convertible Bond – Debt	6	3,823,413	13,819,208	13,127,532
Convertible Bond – Derivative	6	582,014	1,614,192	744,851
		4,454,217	15,433,400	13,941,411
Total liabilities		27,724,661	32,796,638	27,719,509
Net assets		307,357,417	269,413,805	276,903,224
EQUITY				
Capital and reserves				
Share capital		15,437,332	12,613,399	13,139,392
Share premium		369,897,732	321,745,691	334,499,828
Retained losses		(88,780,734)	(76,800,682)	(82,758,128)
Currency reserve		(3,116,401)	(2,912,519)	(2,745,784)
Share based payment reserve		13,919,488	14,767,916	14,767,916
Shareholders' equity		307,357,417	269,413,805	276,903,224

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2024

		6 months ended 31 December 2024 (unaudited) **$**	6 months ended 31 December 2023 (unaudited) **$**	Year ended 30 June 2024 (audited) **$**
Net inflow (outflow) from operating activities		634,799	(3,534,998)	(11,365,415)
Cash flows from investing activities				
Interest received		581,344	414,446	630,371
Interest paid		-	-	(757)
Financial Investments – Fixed term cash deposit & Certificate of deposit(s)		-	(9,008,937)	-
Funds used for drilling, exploration and leases		(17,295,135)	(5,523,850)	(6,966,779)
Net cash outflow from investing activities		(16,713,791)	(14,118,341)	(6,337,165)
Cash flows from financing activities				
Proceeds from share issues	7	30,569,674	2,792,997	10,303,566
Issue costs paid in cash	7	(419,830)	-	-
Repayment of borrowing – unsecured convertible bond	7	(2,621,500)	(5,561,500)	(5,273,798)
Repayment of borrowing – leasing liabilities		(45,272)	(32,046)	(74,338)
Net cash inflow (outflow) from financing activities		27,483,072	(2,800,549)	4,955,430
Increase/(Decrease) in cash & cash equivalents		11,404,080	(20,453,888)	(12,747,150)
Cash and cash equivalents at the beginning of the period		7,913,862	20,661,012	20,661,012
Cash and cash equivalents at the end of the period [(1)]		19,317,942	207,124[(1)]	7,913,862

(1) Prior Period Closing cash balance (31 December 2023) excludes $7,000,000 fixed term deposit (included above in Financial Investments – Fixed Term cash deposit and Certificate of deposit) which matured 8th January 2024.

PANTHEON RESOURCES PLC

RECONCILIATION OF LOSS FOR THE PERIOD TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES
FOR THE PERIOD ENDED 31 DECEMBER 2024

	Notes	6 months ended 31 December 2024 (unaudited) $	6 months ended 31 December 2023 (restated) $	Year ended 30 June 2024 (restated) $
	3			
Loss for the period		(6,896,209)	(7,410,387)	(13,367,832)
Net interest received		(581,344)	(414,446)	(629,614)
Share based compensation expense		25,935	-	-
Depreciation of office equipment		-	1,100	4,399
Depreciation of right of use assets		42,500	28,802	68,704
Interest expense – Convertible Bond and ROU		1,635,221	2,589,141	4,892,883
Convertible Bond – Revaluation of derivative liability		(162,837)	1,206,610	337,055
Convertible Bond – impact of partial early repayment		1,392,606	-	-
Other provisions – irrecoverable VAT		(470,629)	-	(96,209)
(Increase)/Decrease in trade and other receivables		(61,225)	1,765,558	(385,020)
Increase/(Decrease) in trade and other payables		6,178,455	(1,083,353)	(2,137,115)
Effect of translation differences		(467,674)	(218,023)	(52,666)
Net cash inflow (outflow) from operating activities		634,799	(3,534,998)	(11,365,415)

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, 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 ("IAS's") and in accordance with the provisions of the Companies Act 2006.

This interim report has been prepared on a basis consistent with the Group's expected accounting policies for the year ending 30 June 2025. These accounting policies are the same as those set out in the Group's Annual Report and Financial Statements for the year ended 30 June 2024, which are available from the registered office or the company's website (www.pantheonresources.com).

The Group financial information is presented in US Dollars and is unaudited. The interim financial information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

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. 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. 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, 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.

1.4. 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.

1.5. Going concern

This interim period financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Directors and Management have evaluated cash flow forecasts for the next 12 months following the filing of these financial statements. As of March 21, 2025, the Group had cash of $9.1m and anticipated gross proceeds of a further $35.0m from the New Convertible Bonds. As a result, the Group expects to have access to sufficient capital required to fund its committed activities for the next 12 months following the filing of these financial statements.

1.6. Revenue

There was no revenue during the period. In 2023 oil sales resulted from sales of oil produced during the long-term production testing of the Alkaid-2 well. These sales were considered to be non-recurring because production only occurred during the testing phase and terminated following the conclusion of testing operations. During the prior periods of the year ending 30 June 2024 and the six months ending 31 December 2023, a small amount of revenue was recorded during the short testing period for the short flow test of the shallower SMD horizon in the Alkaid-2 well. 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.

1.7. 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.

1.8. 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 operational, 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 project acreage is classified into discrete "projects" or 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.

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

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.

Exploration and evaluation costs

All exploration and evaluation assets relate to the Group's Alaskan operations. The Alaskan leasehold assets were fair valued as at the date of acquisition and the carrying value at period-end represents the cost of acquisition (plus the fair value adjustment(s), in accordance with IFRS) and any capitalised costs incurred subsequent to the acquisition. See note 3 for additional information regarding the prior period adjustment associated with the original valuation of the noncash components of the cost of acquisition. While there has been a change in acquisition cost, carrying value remains unchanged.

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 recognise immediately 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 recorded against the capitalised amount and subsequently depleted over the useful life of well using unit of production method.

1.10 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 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 (as previously defined, the "Existing Convertible Bonds"), 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 embedded in it a derivative. 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 is $0.4m in drilling deposits lodged with the state of Alaska. These drilling deposits are to cover future potential obligations to the state of Alaska including expected costs to perform plugging and abandonment activities at Alkaid #2. Funds held by the state of Alaska are considered to have virtually no risk of credit loss.

2. Loss per share

	6 months ended 31 December 2024 (unaudited)	6 months ended 31 December 2023 (re-stated)	Year ended 30 June 2024 (re-stated)
Loss per share from continuing operations:			
Basic and diluted loss per share	(0.62)¢	(0.86)¢	(1.44)¢

The calculation above for the loss per share has been calculated by dividing the loss for the period by the weighted average number of ordinary shares in issue of 1,119,930,477 (December 2023: 859,268,187; June 2024: 925,860,425). As the Group recorded a loss for the period, the diluted loss per share has been made to equal the basic loss per share.

3. Restatement of previously issued financial statements

Subsequent to the issuance of the Group and Company financial statements for the year ended 30 June 2024, a prior period adjustment was identified in the previous calculation of consideration paid on 17 January 2019 for the acquisition of 100% of the share capital of Great Bear Petroleum Ventures I LLC and Great Bear Petroleum Ventures II companies (together, “Great Bear” or “the Great Bear companies”). A noncash adjustment was identified in the value of the consideration of new fully paid ordinary shares, new fully paid non-voting B-class shares and new warrants. Consideration for the Great Bear companies, after correcting for the adjustment, totalled $69.5m as follows: Cash consideration of US$6.1m, 103.3m new fully paid ordinary shares ($30.9m) valued at 23.30 pence per share, 102.5m new full paid non-voting B-class shares ($30.7m) valued at 23.30 pence per share (all now fully converted to ordinary shares), and 9.6m new warrants ($1.8m) (all of which either now have been exercised or expired).

The following tables summarize the impacts of the adjustment in the consideration for the Great Bear companies for the Group:

Statement of financial position (extract)	**30 June 2024**	**Increase / (Decrease)**	**30 June 2024 (Restated)**	**31 December 2023**	**Increase / (Decrease)**	**31 December 2023 (Restated)**
	$	**$**	**$**	**$**	**$**	**$**
Deferred tax liability	-	-	-	95,980	(95,980)	-
Share capital	13,139,392	-	13,139,392	12,613,399	-	12,613,399
Share premium	313,228,490	21,271,338	334,499,828	300,474,353	21,271,338	321,745,691
Retained losses	(60,989,916)	(21,768,212)	(82,758,128)	(55,128,450)	(21,672,232)	(76,800,682)
Currency reserve	(2,745,784)	-	(2,745,784)	(2,912,519)	-	(2,912,519)
Share based payment reserve	14,271,042	496,874	14,767,916	14,271,042	496,874	14,767,916
Total equity	**276,903,224**	**-**	**276,903,224**	**269,317,825**	**95,980**	**269,413,805**

Statement of comprehensive income (extract)	Year ended 30 June 2024	Profit Increase / (Decrease)	Year ended 30 June 2024 (Restated)	6 months ended 31 December 2023	Profit Increase / (Decrease)	6 months ended 31 December 2023
	$	$	$	$	$	$
Loss for the period (before taxation)	(13,367,832)	-	(13,367,832)	(7,410,387)	-	(7,410,387)
Taxation	1,822,247	(1,822,247)	-	1,726,267	(1,726,267)	-
Loss for the period (after taxation)	(11,545,585)	(1,822,247)	(13,367,832)	(5,684,120)	(1,726,267)	(7,410,387)
Other comprehensive loss for the period	(52,924)	-	(52,924)	(219,659)	-	(219,659)
Total comprehensive loss for the period	(11,598,509)	(1,822,247)	(13,420,756)	(5,903,779)	(1,726,267)	(7,630,046)
Basic and diluted loss per share	(1.25)¢	(0.19)¢	(1.44)¢	(0.66)¢	(0.20)¢	(0.86)¢

The prior period adjustment in the consideration for the Great Bear companies had no net impact on the Statement of Cash Flows for any period.

4. Non-current assets

Exploration and evaluation assets Group	**Exploration & evaluation assets**
At 30 June 2023	286,798,461
Additions	5,523,849
At 31 December 2023	292,322,310
Additions	1,442,930
At 30 June 2024	293,765,240
Additions	19,036,135
At 31 December 2024	312,801,375
Impairment:	
At 30 June 2023	130,112
At 31 December 2023	130,112
At 30 June 2024	130,112
At 31 December 2024	130,112
Net book value:	
At 31 December 2024	312,671,263
At 30 June 2024	293,635,128

In January 2019, the Group acquired 100% of the share capital of Great Bear Petroleum Ventures I LLC and Great Bear Petroleum Ventures II LLC companies (collectively, “Great Bear”). The principal assets of the Group are leases, approximately 258,000 acres with the rights to explore for hydrocarbons in the State of Alaska. At the period end the exploration and evaluation assets all relate to the Alaskan operation, specifically Alaskan assets of $312.7m (December 2023: $292.3m).

Exploration and evaluation assets are regularly reviewed for indicators of impairment. If an indicator of impairment is found an impairment test is required, where the carrying value of the asset is compared with its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. The Directors are satisfied that no impairments are required for the current period end.

5. Share Capital

During the period ending 31 December 2024, the Company issued 178,449,731 new ordinary shares.

As at 31 December, 2024 the company had on issue 1,139,369,391 shares.

As at 31 December, 2024 the Company also has the following options, warrants and restricted stock units ("RSUs"):

- 7,000,000 share options with an exercise price of £0.27, expiring July 2030
- 12,430,000 share options with an exercise price of £0.33, expiring January 2031
- 21,380,000 share options wih an exercise price of £0.67, expiring January 2027
- 9,500,000 share options for the long-term incentive programme ("LTIP") expiring Oct 2034
- 9,087,584 RSUs vesting equally over 3 years with the first vesting to occur in April 2025

6. Unsecured Convertible Bond

In December 2021, the Company issued $55m worth of senior unsecured convertible bonds to a fund advised by Heights Capital Ireland LLC, a global equity and equity-linked focused investor. These Existing 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 originally due in December 2026. Concurrent with the equity fundraising completed in August 2024 and described more fully in note 7, the Company made an early repayment of $4.9m against the Existing Convertible Bonds through the issuance of 22,380,254 shares at a price of $0.2206 (£0.17) per share. This early repayment shortened the maturity date from the original December 2026 to the now-current June 2026. After settlement of the 13th December 2024 convertible bond repayment, the remaining notional principal outstanding was $14.7m, which was further reduced to $12.25m on 20 March 2025.

The quarterly amortisations under the Existing Convertible Bonds 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$0.834 per share) or a 10% discount to the arithmetic average of the daily volume weighted average prices ("VWAP") in the 10 day or 3 day trading period prior to pricing date. Additionally, the bondholder has the option to partially convert the Existing Convertible Bonds at its discretion. A full summary of the terms of Existing 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 Existing 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%. These amounts will be revalued every balance date with the differences being accounted for in the consolidated statement of comprehensive income. For the period end date of 31 December 2024, the third party expert valuation group performed its Monte-Carlo simulation and valuation calculations to determine the new value for the derivative liability to be $582,014. The resulting movement of was posted to the consolidated statement of comprehensive income to the account "Revaluation of derivative liability".

At 31 December 2024 the Existing Convertible Bond is shown in the Consolidated Statement of Financial Position in the following categories:

Convertible Bond – Derivative Component (Non-current Liability)	$582,014
Convertible Bond – Debt Component (Current Liability)	$9,153,776
Convertible Bond – Debt Component (Non-current Liability)	$3,823,413
Total	$13,559,203

7. Share Issuances

In August 2024, Pantheon completed an equity fundraising, raising $29m before costs through the issuance of 132,454,566 new ordinary shares at a price of $0.2206 (£0.17) per share. Concurrent with the equity fundraising, the Company made an early repayment of $4.9m against the Existing Convertible Bonds through the issuance of 22,380,254 shares at a price of $0.2206 (£0.17) per share. This early repayment shortened the maturity date from the original December 2026 to the now-current June 2026.

In September 2024, Pantheon repaid (i) the quarterly principal repayment of $2.45m and (ii) the quarterly interest payment of $0.224m in respect of its senior unsecured convertible bonds through the issuance of 14,244,459 new ordinary shares.

In October 2024, Pantheon announced details of its replacement ESOP for all employees and a Long Term Incentive Plan (“LTIP”) for Executive Directors and certain officers of the Company. Under the ESOP the Company issued in aggregate 9,087,584 RSUs across all staff members, excluding non-executive directors. The RSUs were priced at $0.2206 (£0.17), the same pricing as for the August 2024 completed equity fundraising, using current exchange rates, and represented a small premium to the closing share price on the day prior to issue. Under the Share Award Scheme, the initial RSUs, granted to all staff, vest over three years beginning in 2025. Under the LTIP a total of 9.5m deeply out of the money share options were granted, with vesting over a 5 year period and also subject to achievement of challenging performance targets. The exercise price of the initial option grant, the first grant for more than two and a half years, was $0.835 (c.£0.64), representing a 290% premium to the prevailing share price.

Also in October 2024, the Executive Chairman and the Non-Executive Directors subscribed for 261,696 new ordinary shares at an issue price of $0.2748 (£0.212) per share, raising $0.1m.

In November 2024, Pantheon completed a private placement of 9,108,756 shares at an issue price of $0.2878 (£0.2266) per share, raising $2.6m. The proceeds were applied to the full payment of the December 2024 quarterly convertible bond repayment, inclusive of principal and interest.

8. Approval by Directors

The interim report for the six months ended 31 December 2024 was approved by the Directors on 23 March 2025.

9. Availability of Interim Report

The interim report will be made available shortly on the Company’s website (www.pantheonresources.com), with further copies available on request from the Company’s registered office.

10. Contingent liability

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 in April 2020.

No Pantheon entity was a signatory to the gas treating agreement and none are named in the agreement. Pantheon took legal advice on the matter and believed it had no liability to the service provider. Accordingly, Pantheon made no provision in previous financial statements, or in the ones for this period.

In July 2021, the court dismissed Kinder Morgan's claims against Pantheon Resources plc. Kinder Morgan then asserted claims against two subsidiaries, Pantheon Oil & Gas, LP and Pantheon East Texas, LLC, seeking to recover the same claimed damages under the VOC contract. The court in that lawsuit dismissed the claims against Pantheon East Texas LLC as it was not formed until 18 months after the gas treating agreement was signed.

Pantheon Oil & Gas, LP contested the claims asserted against it. The case proceeded to trial in late October 2024 and the jury rendered a verdict in favor of Pantheon Oil & Gas on all of Kinder Morgan's claims. Following the verdict, Pantheon Oil & Gas and Pantheon East Texas filed a motion for entry of final judgment in their favour, along with a request for a discretionary award of attorney fees. Kinder Morgan filed a motion for judgment in its favour notwithstanding the verdict and a pleading challenging Pantheon Oil & Gas and Pantheon East Texas's claim to recover attorney fees.

In mid-January 2025, the trial court overruled Kinder Morgan's motion and entered final judgment in favour of the Pantheon entities, without awarding attorney fees to either party. Following this, Kinder Morgan then filed a motion for new trial, to which the Pantheon entities responded in mid-February 2025. As of the time of this filing, the trial court has not ruled on this motion and retains plenary power over the litigation.

11. Subsequent Events

Appointment of Max Easley, as Chief Executive Officer and as Member of the Board of Directors

On 21 February 2025, the Company appointed Max Easley as Chief Executive Officer, succeeding Jay Cheatham. Mr. Easley also was appointed as a member of the Pantheon Board of Directors, while Jay will continue to serve the Company as a Non-Executive Director for a period of handover to Max. David Hobbs, currently remains as Executive Chairman, but has indicated that he will be seeking to migrate his role back to Non-Executive Chairman as part of the evolution of the Group's corporate governance once Mr. Easley is well established in his role.

Max Easley brings over thirty years of experience as a highly respected energy executive, drawing on extensive domestic and international experience in the upstream industry. Over the course of his career, Max has held executive rolls at BP, Apache Corporation and PETRONAS Canada.

Max graduated from the University of Alaska in 1991 with a degree in Petroleum Engineering. Following his early days learning his trade as a petroleum engineer at Prudhoe Bay, he worked overseas for over a decade, primarily in the UK and Trinidad, in a variety of technical, financial and leadership roles before returning to Alaska as Senior Vice President of Resource Development for BP Alaska. Over the past decade, he has been a driving force in the capital efficient appraisal, development and production of unconventional resources both in the Permian Basin in Texas and the Montney in British Columbia.

Megrez-1 Completions and Flow Test Activities

In March 2025, activities commenced to prepare the Megrez-1 well for flow testing. As detailed in the Company Statement section of these interim reports, the separate flow tests are planned for a period of months, and will cover the shallowest six zones of seven horizons previously confirmed by the Company. The seven zones are interpreted to comprise a column of 1,340 vertical feet of net oil pay. Results of these flow tests will be released as they become available. As of the time of this filing, the hydraulic fracture stimulation equipment has been moved to the Megrez-1 site in preparation to commence the completion program for the first zone to be tested.

New Convertible Bonds Originally Sized at $30.5 Million and Then Up-Sized to $35.0 Million

On 20 February 2025, the Company entered into a binding agreement with Sun Hung Kai & Co. Limited and its affiliates, clients and funds managed or advised by them (the "New Convertible Bond Investor") concerning between $30.5m and $35.0m in aggregate principal amount of senior convertible bonds due March 2028 (as previously defined, the "New Convertible Bonds"). Pursuant to the agreement, the Company agreed to issue, and the New Convertible Bond Investor agreed to subscribe to, the New Convertible Bonds on or before 24 March 2025.

On 26 February 2025 Pantheon granted the Convertible Bond Investor the sole right to increase the aggregate amount of the New Convertible Bonds to $35.0m and, on 28 February 2025, the New Convertible Bond Investor made the election and exercised that right to increase the offering size of the Convertible Bonds to $35.0m.

The New Convertible Bonds will be issued on or about 24 March 2025 for a principal amount of $35.0m and will carry a coupon of 5.0% per annum payable quarterly in arrears commencing three months from 24 March 2025. In the absence of a conversion or redemption, they will mature on the third anniversary. The initial conversion price will be $0.8675 subject to adjustment for splits, consolidations, and similar corporate actions.

Payment of Quarterly Amortisation of Existing Convertible Bonds

In March 2025, Pantheon announced that it elected to pay (i) the quarterly principal repayment of $2.45m and (ii) the interest payment of $0.147m (collectively, the "Quarterly Repayment") in respect of the Existing Convertible Bonds due June 2026, through the issuance of 3,629,122 new ordinary shares.

Following the settlement of this Quarterly Repayment, the principal remaining under the Existing Convertible Bonds has reduced to $12.25m.

Talitha-A Well Suspension Activities

In February and March of 2025, an ice road was built to the temporarily suspended Talitha-A well. The site was inspected and an additional well plug and cement were set to satisfy State of Alaska regulations for extended suspension of the well. The cost of this activity was approximately $0.8m.

Annual General Meeting for Fiscal Year 2024

At the Company's AGM in March 2025, all resolutions were passed. A copy of the resolutions passed are available on the Shareholder Documents section of the Company website.

GLOSSARY

bbl	barrel of oil	mcfd	thousand cubic feet per day
bopd	barrels of oil per day	Mmboe	million barrels of oil equivalent
boepd	barrels of oil equivalent per day	NPV	net present value
mcf	thousand cubic feet	$	United States dollar
bwpd	barrels water per day	IP30	average production in the first 30 days of the life of a well