28 September 2018

Savannah Petroleum PLC
("Savannah" or "the Company")

2018 Half Year Results

Savannah Petroleum PLC, the British independent company focused around oil and gas activities in Niger and Nigeria, together with its subsidiaries (the "Group"), is today pleased to announce its unaudited interim results for the six-month period ended 30 June 2018.

First Half Summary

- Successful delivery of drilling campaign in South East Niger, with two oil discoveries (Bushiya and Amdigh) made from two wells on the R3 East portion of the R3/R4 Production Sharing Contract ("PSC") during the period under review;
- Consistently safe operations, with no lost time incidents and wells drilled within budgeted time;
- One-year extension to the R1/R2 PSC received, providing the Company with greater flexibility to plan follow-on drilling activities, unconstrained by PSC timing issues;
- Strengthening of the executive management team with the appointment of David Clarkson as Chief Operating Officer;
- Strong progress on the acquisition of certain oil and gas assets in South East Nigeria from Seven Energy International Limited (the "Transaction"), with the successful completion of a US$125m equity placing to fund, *inter alia*, the Transaction and of an exchange offer to acquire Seven's 10.25% Senior Secured Notes;
- Cash position as at 30 June of US$11.7m;
- H1 cash operating costs (excluding Transaction costs) of US$7.3m, consistent with market expectations for pro-forma Enlarged Group cash operating costs (excluding Transaction costs) of c.US$17.5 – 20m for FY 2018.

Post Period Summary

- Continued drilling success in South East Niger, with two further oil discoveries (Kunama and Eridal) delivered safely, with no lost time incidents, and within budgeted time;
- Announcement of agreement with the Government of Niger to implement a domestic-focused Early Production Scheme ("EPS"), utilising crude oil resources associated with the Company's discoveries on R3 East;
- Continued positive developments in relation to Agadem Rift Basin ("ARB") crude export solution, with the signature of an MOU between the Governments of the Republic of Niger and the Federal Republic of Nigeria envisaging the construction of an export pipeline from the ARB to a refinery in Northern Nigeria;
- Updates to the Seven Energy Transaction announced, increasing the reserves and resources being acquired by 25.1 mmboe (+19%) and affording Savannah increased operational control across the gas value chain in South East Nigeria;
- Commencement of work by Accugas on the Calabar Gas Distribution Project, expected to represent a material new revenue and cash flow stream for the Enlarged Group from H1 2020;
- Cancellation of share premium account confirmed, creating distributable reserves in order to provide the Directors with maximum flexibility to, if appropriate, pay dividends to shareholders, buyback the Company's shares or make other distributions to shareholders;
- Agreement of a term sheet with a leading Geneva-based oil trading firm for a new US$50m debt facility.

Outlook

- Results of Zomo-1, the fifth well in the Company's ongoing Niger drilling campaign, expected to be announced shortly;
- Four further well options available under the Company's rig contract with Great Wall Drilling Company Niger SARL, each of which can be exercised individually at Savannah's discretion;
- Production test expected to be performed on Savannah's Amdigh-1 discovery well during Q4 2018;
- Seven Energy Transaction expected to be completed during Q4 2018, with the Implementation Agreement anticipated to be signed by end October 2018.

Andrew Knott, CEO of Savannah Petroleum, said:

"I am very pleased with what Savannah has achieved during a very busy first half of 2018. The Company saw considerable drilling success in Niger, with two oil discoveries made during H1 and a further two discoveries post period end. In recent months we have also announced a commitment, alongside the Government of Niger, to install an EPS on R3 East, which will see initial production from our discoveries sold into the domestic market. We continue to see significant resource potential on our wider Niger acreage, and in addition to the upcoming Zomo-1 results we expect to update the market on our plans for further drilling in the coming months.

We continue to advance the Seven Energy Transaction, which is now expected to complete during the fourth quarter of 2018. Earlier this month we announced two additional value accretive deals in relation to the broader Transaction, which will see Savannah increase its anticipated interests in two key assets, via an MOU with Frontier Oil at the Uquo field and the expected buy-out of minority shareholders at Stubb Creek. These transactions are value accretive and afford Savannah increased operational control across the gas value chain.

We strengthened our executive management team with the appointment of David Clarkson to Chief Operating Officer, and have also put in place the ability to return capital to shareholders, if appropriate. I would like to thank all of our stakeholders for their ongoing support, and we look forward to providing further updates on our Niger and Nigeria businesses in the coming weeks and months at what is an exciting time for our Company."

Unless otherwise defined, capitalised terms are as per the Company's Admission Document dated 22 December 2017.

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The information contained within this announcement is considered to be inside information prior to its release, as defined in Article 7 of the Market Abuse Regulation No.596/2014, and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations.

Notes to Editors:

About Savannah Petroleum

Savannah Petroleum PLC is an AIM listed oil and gas company with exploration and production assets in Niger and Nigeria. Savannah's flagship assets include the R1/R2 and R3/R4 PSCs, which cover c.50% of the highly prospective Agadem Rift Basin ("ARB") of South East Niger, acquired in 2014/15. The Company is also in the process of acquiring interests in the cash flow generative Uquo and Stubb Creek oil and gas fields and a 20% interest in the Accugas midstream business in South East Nigeria from Seven Energy.

Further information on Savannah Petroleum PLC can be found on the Company's website: http://www.savannah-petroleum.com/en/index.php

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2018

	Note	6 months ended 30 June 2018 US$'000 Unaudited	6 months ended 30 June 2017 US$'000 Unaudited	Year ended 31 December 2017 US$'000 Audited
	#			
Operating expenses	3	(19,250)	(5,944)	(27,091)
Operating loss		**(19,250)**	**(5,944)**	**(27,091)**
Finance income		345	174	283
Finance costs		(895)	(35)	(561)
Fair value adjustment (warrants)	8	2,223	-	-
Loss before tax		**(17,577)**	**(5,805)**	**(27,369)**
Income tax		(5)	(7)	(13)
Net loss and total comprehensive loss		**(17,582)**	**(5,812)**	**(27,382)**
Total comprehensive loss attributable to:				
Owners of the parent		(17,554)	(5,810)	(27,350)
Non-controlling interests		(28)	(2)	(32)
		(17,582)	**(5,812)**	**(27,382)**
Loss per share				
Basic and diluted (US$)	4	(0.03)	(0.02)	(0.10)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	30 June 2018 US$'000 Unaudited	30 June 2017 US$'000 Unaudited	31 December 2017 US$'000 Audited
Assets				
Non-Current Assets				
Property, plant and equipment		5,343	2,537	2,933
Exploration and evaluation assets	5	125,876	108,068	111,733
Long term loan receivables	6	88,956	-	-
Total non-current assets		220,175	110,605	114,666
Current Assets				
Other receivables and prepayments		29,185	857	3,999
Cash and cash equivalents		11,719	8,409	14,904
Total current assets		40,904	9,266	18,903
Total Assets		**261,079**	**119,871**	**133,569**
Equity and Liabilities				
Capital and reserves				
Share capital	7	1,240	483	520
Share premium	7	-	146,892	157,188
Other reserve	7	(4,989)	-	-
Capital contribution	7	458	458	458
Share based payment reserve	7	5,198	3,727	4,551
Accumulated surplus/(deficit)		232,644	(37,777)	(59,317)
Equity attributable to owners of the Group		234,551	113,783	103,400
Non-controlling interests		(425)	(367)	(397)
Total Equity		234,126	113,416	103,003
Current Liabilities				
Trade and other payables		12,056	6,455	17,888
Borrowings		12,131	-	12,678
Financial liability (Warrants)	8	2,766	-	-
Total current liabilities		26,953	6,455	30,566
Total Equity and Liabilities		**261,079**	**119,871**	**133,569**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2018

	6 months ended 30 June 2018 US$'000 Unaudited	6 months ended 30 June 2017 US$'000 Unaudited	Year ended 31 December 2017 US$'000 Audited
Cash flows from operating activities:			
Loss for the period before tax	(17,577)	(5,805)	(27,369)
Depreciation and amortisation	174	108	274
Share option charge	647	789	1,613
Unrealised finance costs	72	34	559
Fair value adjustments (warrants)	(2,223)	-	-
Operating cash flows before movements in working capital	(18,907)	(4,874)	(24,923)
(Increase) / decrease in other receivables and prepayments	(18,808)	193	(2,560)
(Decrease) / increase in trade and other payables	(12,000)	435	12,604
Income tax paid	(5)	(7)	(798)
Net cash used in operating activities	**(49,720)**	**(4,253)**	**(15,677)**
Cash flows from investing activities:			
Payments for property, plant and equipment	(2,226)	(1,691)	(2,253)
Exploration and evaluation costs paid	(8,332)	(13,698)	(17,313)
Acquisition of long term loan receivable (SSN's)	(40,911)	-	-
Net cash used in investing activities	**(51,469)**	**(15,389)**	**(19,566)**
Cash flows from financing activities:			
Finance income/(charges)	21	(34)	(221)
Proceeds from issues of shares, net of issue costs	98,937	5,024	14,966
Drawdown of borrowings	876	-	12,341
Repayment of borrowings	(1,830)	-	-
Net cash provided by financing activities	**98,004**	**4,990**	**27,086**
Net decrease in cash and cash equivalents	**(3,185)**	**(14,652)**	**(8,157)**
Cash and cash equivalents at beginning of period	14,904	23,061	23,061
Cash and cash equivalents at end of period	**11,719**	**8,409**	**14,904**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2018

	Share capital US$'000	Share premium US$'000	Capital contribution US$'000	Other reserve US$'000	Share based payment reserve US$'000	(Accumulated deficit)/ Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total US$'000
Balance at 31 December 2016 (Audited)	**483**	**146,892**	**458**	**-**	**2,938**	**(31,967)**	**118,804**	**(365)**	**118,439**
Equity settled share based payments	-	-	-	-	789	-	789	-	789
Loss for the period and total comprehensive loss	-	-	-	-	-	(5,810)	(5,810)	(2)	(5,812)
Balance at 30 June 2017 (Unaudited)	**483**	**146,892**	**458**	**-**	**3,727**	**(37,777)**	**113,783**	**(367)**	**113,416**
Issue of ordinary shares to shareholders, net of issue costs	37	10,296	-	-	-	-	10,333	-	10,333
Equity settled share based payment	-	-	-	-	824	-	824	-	824
Loss for the period and total comprehensive loss	-	-	-	-	-	(21,540)	(21,540)	(30)	(21,570)
Balance at 31 December 2017 (Audited)	**520**	**157,188**	**458**	**-**	**4,551**	**(59,317)**	**103,400**	**(397)**	**103,003**
Issue of ordinary shares to shareholders, net of issue costs	720	152,385	-	-	-	(58)	153,047	-	153,047
Equity settled share based payment	-	-	-	-	647	-	647	-	647
Warrants issue	-	-	-	(4,989)	-	-	(4,989)	-	(4,989)
Share premium cancellation	-	(309,573)	-	-	-	309,573	-	-	-
Loss for the period and total comprehensive loss	-	-	-	-	-	(17,554)	(17,554)	(28)	(17,582)
Balance at 30 June 2018 (Unaudited)	**1,240**	**-**	**458**	**(4,989)**	**5,198**	**232,644**	**234,551**	**(425)**	**234,126**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

Savannah was incorporated in the United Kingdom on 3 July 2014. Savannah's principal activity is the management of its investment in Savannah Petroleum 1 Limited ("SP1"). SP1 was incorporated in Scotland on 3 July 2013. SP1's principal activity is the management of its investment in Savannah Petroleum 2 Limited ("SP2"), and the provision of services to other companies within the Group. SP2 has a 95% interest in Savannah Petroleum Niger R1/R2 S.A. ("Savannah Niger") whose principal activity is the exploration of hydrocarbons in the Republic of Niger.

2. Accounting policies

Basis of Preparation

The condensed consolidated financial statements have been prepared using the same accounting policies that applied to the Group's latest annual audited financial statements. The provisions of IAS 34 'Interim Financial Reporting' have not been applied.

The condensed consolidated financial statements do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2017 Annual Report. The financial information for the six months ended 30 June 2018 does not constitute statutory accounts within the meaning of Section 434(3) of the Companies Act 2006 and is unaudited.

The annual financial statements of Savannah Petroleum PLC are prepared in accordance with IFRSs as adopted by the European Union. The Independent Auditors' Report on that Annual Report and financial statements for 2017 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The Group's statutory financial statements for the year ended 31 December 2017 have been filed with the Registrar of Companies.

All amounts have been prepared in US dollars, this being the Group's functional currency and its presentational currency.

Going concern

The Directors have reviewed the budgets and forecasts as well as the funding requirements of the business for the next 12 months. Having conducted this review, the Directors have a reasonable and strong expectation that the Group has adequate resources to continue operating for the foreseeable future. The planned acquisition of certain assets from Seven Energy is expected to see the Company acquire interests in two free cash flow generative oil and gas fields and receive incremental cash funds on close associated with the US$20m proceeds from the SSN equity issuance. This transaction is currently anticipated to complete in the fourth quarter of 2018, following the satisfaction of relevant conditions precedent which include, inter alia, the Implementation Agreement being entered into, the Accugas Transaction and the Accugas Waiver becoming effective, the Frontier Agreements being entered into and becoming effective, Ministerial Consent and NSEC Consent.

Upon completion of the transaction the Group is therefore expected to benefit from a significant positive liquidity/working capital inflow. Were the transaction to be materially delayed from the currently anticipated fourth quarter completion schedule, which the Directors recognise as a potential risk, the Group would likely be required to access incremental debt facilities. The Directors have a reasonable and strong expectation that the Group would be able to achieve this. On this basis the Directors continue to adopt the going concern basis in preparing the half-yearly results.

Accounting policies (continued)

Intangible exploration and evaluation assets

Intangible assets relate to exploration, evaluation and development expenditure and are accounted for under the 'successful efforts' method of accounting per IFRS 6 'Exploration for an Evaluation of Mineral Resources'. The successful efforts method means that only costs which relate directly to the discovery and development of specific oil and gas reserves are capitalised. Exploration and evaluation costs are valued at cost less accumulated impairment losses and capitalised within intangible assets. Development expenditure on producing assets is accounted for in accordance with IAS 16, 'Property, plant and equipment'. Costs incurred prior to obtaining legal rights to explore are expensed immediately to the income statement.

Financial assets

During the period to 30 June 2018, the Group completed the exchange offer in respect of the 10.25% SSN's issued by Seven Energy Finance Ltd, representing 96.04% of the outstanding 10.25% SSN's.

The acquisition of the SSN's were recognised at a fair value of US$89m and recorded as Long-term loan receivables, it is expected to form part of the purchase consideration for Seven Energy upon completion of the transaction.

Management assessed whether the acquisition of the SSN's, which will later form part of the purchase consideration could attribute to Savannah, control over Seven Energy. Management concluded that the acquisition did not grant Savannah 'control' (as defined in IFRS 10) over Seven Energy, as the Group does not have access to the variable return from the SSN's nor does it have the ability to direct the relevant activities of Seven Energy.

Warrants

Savannah granted to each participant in the two-tranche equity placing (the first and second tranches having taken place in December 2017 and February 2018 respectively) one warrant to subscribe for ordinary shares for every two placing shares subscribed. The shares are denominated in Sterling, however the reporting currency of the Group is the US Dollar. The 'fixed for fixed' test therefore does not pass and the warrants are treated as a financial liability through profit and loss.

The warrants are exercisable twelve months post second tranche equity placing, at an exercise price of £0.35.

Segmental analysis

In the opinion of the directors, the Group is primarily organised into a single operating segment. This is consistent with the Group's internal reporting to the chief operating decision maker. Separate segmental disclosures have therefore not been included.

3. Operating loss

Operating loss has been arrived at after charging:

	30 June 2018 Unaudited	30 June 2017 Unaudited	31 December 2017 Audited
	US$'000	***US$'000***	***US$'000***
Depreciation of property, plant and equipment	174	108	274
Staff costs	5,035	3,293	5,097
Operating lease rental	133	61	189

During the period an amount of US$12,000,000 (HY 2017: US$1,400,000, FY 2017: US$18,500,000) related to costs associated with the proposed acquisition of the Seven Assets from Seven and Seven Energy Creditor Group, and was included within operating loss.

4. Loss per share

Basic loss per share amounts are calculated by dividing the loss for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

Diluted loss per share amounts are calculated by dividing the loss for the periods attributable to ordinary holders by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of shares that would be issued on the conversion of dilutive potential ordinary shares into ordinary shares. The effect of share options and warrants are anti-dilutive and are therefore excluded from the calculation of diluted loss per share.

Details of share capital movements are given in note 7.

	30 June 2018 Unaudited	**30 June 2017 Unaudited**	**31 December 2017 Audited**
	US$'000	***US$'000***	***US$'000***
Net loss attributable to owners of the parent	17,554	5,810	27,350
	Number of shares	**Number of shares**	**Number of shares**
Basic and diluted weighted average number of shares	657,332,395	274,621,447	274,922,400
	US$	**US$**	**US$**
Basic and diluted loss per share	0.03	0.02	0.10

5. Exploration and evaluation assets

Exploration and evaluation assets consist of acquisition costs relating to the acquisition of exploration licenses and other costs associated directly with the discovery and development of specific oil and gas reserves in the R1/R2 and R3/R4 license areas.

	30 June 2018 Unaudited	**30 June 2017 Unaudited**	**31 December 2017 Audited**
	US$'000	***US$'000***	***US$'000***
Exploration and evaluation assets	125,876	108,068	111,733

The amounts for exploration and evaluation assets represent active exploration projects. These will ultimately be written off to the statement of comprehensive income as exploration costs if commercial reserves are not established, but are carried forward in the statement of financial position whilst the determination process is ongoing. There are no indications of impairment having regard to the indicators in IFRS 6.

Exploration and evaluation costs of US$14,143,000 incurred in the six-month period to 30 June 2018 are mainly related to drilling campaign costs in the R3/R4 license area. As at 30 June 2018, the Group had realised oil discoveries in both wells drilled to this date (Bushiya and Amdigh). The third well, Kunama, spudded shortly before 30 June 2018.

In May 2018, the Group received a one-year extension to its R1/R2 Production Sharing Contract ("PSC") with the Government of Niger. The extension is the first phase of Savannah's Exclusive Exploration Authorisation under the PSC.

6. Long term loan receivable

	30 June 2018 Unaudited	30 June 2017 Unaudited	31 December 2017 Audited
	US$'000	***US$'000***	***US$'000***
10.25% Senior Secured Notes			
- Cash consideration	40,910	-	-
- Equity consideration	48,046	-	-
	88,956	-	-

On 7 February 2018 the Group completed the exchange offer on the 10.25% Senior Secured Notes (SSN's) and Savannah had received valid exchange instructions in respect of US$305,623,123 in principal amount of outstanding 10.25% SSN's, representing 96.04 per cent of the outstanding 10.25% SSN's.

The SSN's acquired were recognised at their fair value of $88,956,000, having been obtained at a material discount to their principal amount. The SSN's are expected to form part of the purchase consideration for Seven Energy upon Deal Completion.

7. Share capital

	30 June 2018 Unaudited	30 June 2017 Unaudited	31 December 2017 Audited
Fully paid ordinary shares in issue (number)	794,489,081	274,621,447	301,793,177
Called up ordinary shares in issue (number)	22,480,346	-	290,270
Par value per share in GBP	0.001	0.001	0.001

	Number of Shares	Share Capital	Share Premium	Total
		US$'000	***US$'000***	***US$'000***
At 30 June 2017 (Unaudited)	274,621,447	483	146,892	147,375
Shares issued	27,462,000	37	10,296	10,333
At 31 December 2017 (Audited)	302,083,447	520	157,188	157,708
Shares issued	514,885,980	720	152,385	153,105
Share premium cancellation	-	-	(309,573)	(309,573)
At 30 June 2018 (Unaudited)	816,969,427	1,240	-	1,240

Other capital reserves

	Capital contribution	Other reserve	Share based payment reserve	Total
	US$'000	***US$'000***	***US$'000***	***US$'000***
At 30 June 2017 (Unaudited)	458	-	3,727	4,185
Share based payments expense during the year	-	-	824	824
At 31 December 2017 (Audited)	458	-	4,551	5,009
Share based payments expense during the period	-	-	647	647
Warrants issued at fair value	-	(4,989)	-	(4,989)
At 30 June 2018 (Unaudited)	458	(4,989)	5,198	667

Nature and purpose of reserves

Capital contribution reserve

On 1 August 2014 a capital contribution of US$458,000 was made by shareholders of the Group as part of the loan note conversion.

Share based payment reserve

The share based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Other reserve

The other reserve figure represents the reclassification of the fair value of warrants granted from equity to a financial liability, at initial grant date. See note 8 for further information.

8. Warrant liability

The Company issued warrants along with the share issued during the placings in December 2017 and February 2018, being one warrant for every two ordinary shares placed. The warrants are exercisable at a price equal to the placing price of the Company's shares on the date of grant. There is no vesting period. If the warrants remain unexercised after a period of one year from the date of the second grant, the warrants expire.

	30 June 2018 Unaudited	30 June 2017 Unaudited	31 December 2017 Audited
	US$'000	***US$'000***	***US$'000***
Warrants			
- Fair value recognition at issue date	4,989	-	-
- Fair value through profit and loss	(2,223)	-	-
As at period end	2,766	-	-

Details of the warrants outstanding during the period are as follows:

	30 June 2018		30 June 2017		31 December 2017	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding at the beginning of period	13,090,817	35p	-	-	-	-
Issued during the period	119,500,000	35p	-	-	13,731,000	35p
Forfeited during the period	-	-	-	-	(640,183)	35p
Exercised during the period	-	-	-	-	-	-
Expired during the period	-	-	-	-	-	-
Outstanding at the end of the period	132,590,817	35p	-	-	13,090,817	35p

The warrants outstanding at 30 June 2018 had a weighted average exercise price of 35p, and a weighted average remaining contractual life of 7 months. In 2018, warrants were issued on 9 February 2018. The aggregate of the estimated fair values of the warrants issued on those dates is US$2.5 million. In 2017, warrants were issued on 22 December 2017. The aggregate of the estimated fair values of the warrants issued on those dates is US$0.3 million. The inputs into the Black-Scholes model are as follows:

	30 June 2018	30 June 2017	31 December 2017
Weighted average share price USD cents	38.50	-	38.50
Weighted average exercise price USD cents	46.22	-	46.22
Expected volatility	38.02%	-	38.02%
Expected life	7 months	-	13 months
Risk-free rate	0.61%	-	0.61%

Expected volatility was determined by calculating the historical volatility of the group's share price and the currency fluctuation between the USD and GBP over the previous 3 years. The expected life used in the model has been adjusted, based on contractual terms.

The fair value of the warrants at 31 December 2017 was US$0.3m. This was not recognised in the 2017 Annual Report due to its immaterial value.

9. Capital commitments

At 30 June 2018, capital commitments related to drilling amounted to US$8.8m (HY 2017: US$0, FY 2017: US$0).

INDEPENDENT REVIEW REPORT TO SAVANNAH PETROLEUM PLC

Introduction

We have been engaged by the company to review the financial information in the half-yearly financial report for the six months ended 30 June 2018 which comprises the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Cash Flows and the Condensed Consolidated Statement of Changes in Equity. We have read the other information contained in the half yearly financial report which comprises only the Notes to the Condensed Consolidated Interim Financial Statements and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in ISRE (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review work has been undertaken so that we might state to the company those matters we are required to state to it in a review 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 for our review work, for this report, or for the conclusion we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The AIM rules of the London Stock Exchange require that the accounting policies and presentation applied to the financial information in the half-yearly financial report are consistent with those which will be adopted in the annual accounts having regard to the accounting standards applicable for such accounts.

As disclosed in Note 2 the annual financial statements of Savannah Petroleum PLC are prepared in accordance with IFRSs as adopted by the European Union. The financial information in the half-yearly financial report has been prepared in accordance with the basis of preparation in Note 2.

Our responsibility

Our responsibility is to express to the company a conclusion on the financial information in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial information in the half-yearly financial report for the six months ended 30 June 2018 is not prepared, in all material respects, in accordance with the basis of accounting described in Note 2.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Glasgow
27 September 2018