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30 December 2021

Savannah Energy PLC
("Savannah", the "Company" or the "Group")

Proposed Placing and Subscription to Raise US\$65 million

Savannah Energy PLC, the British independent energy company focused around the delivery of **Projects that Matter** in Africa, today announces its intention to conduct an accelerated bookbuild (the "Bookbuild") by way of a placing (the "Placing") with institutional and other investors (the "Placees") and subscription by certain of the directors ("Subscription") to raise gross proceeds of approximately US\$65 million through the issue of new ordinary shares of £0.001 each in the Company ("Ordinary Shares").

It is intended that as part of the Subscription five of the Board's six directors will subscribe for an aggregate amount of £2.8 million, including a subscription of £2.2 million by the Company's CEO, Andrew Knott (via a wholly-owned entity).

- Up to approximately 258,397,932 new Ordinary Shares (the "Placing Shares") will be placed at the pre-suspension share price of 19.35 pence per Ordinary Share (the "Placing Price") and, at this price, are expected to represent approximately 20.6 per cent. of the Company's issued share capital, as enlarged by the Placing and Subscription;
- The Bookbuild will open with immediate effect following the release of this announcement and is expected to close by no later than 4.00 p.m. GMT today. A further announcement confirming the closing of the Bookbuild, the number of new Ordinary Shares to be issued as part of the Placing and Subscription and the amount raised will then be issued by the Company;
- The Company intends to publish its AIM admission document (the "Admission Document") in respect of, *inter alia*, the Exxon Acquisition and the PETRONAS Acquisition as defined in its announcements of 13 December 2021, and the Placing and Subscription, on or around 31 December 2021, following which the Company will seek restoration to trading on AIM;
- finnCap Ltd and Panmure Gordon (UK) Limited are acting as joint bookrunners (together, the "Joint Bookrunners") in relation to the Placing. Strand Hanson Limited is acting as Nominated and Financial Adviser to the Company.

Andrew Knott, CEO of Savannah, said:

"The US\$65 million we are raising is intended, *inter alia*, to allow Savannah to progress our planned acquisitions of ExxonMobil's and PETRONAS's assets in Chad and Cameroon. I am delighted by the support we have received from our shareholder base for these transactions and look forward to providing further updates in due course."

Summary of the Proposed Acquisitions

On 13 December 2021, the Company announced that it had entered into agreements to acquire ExxonMobil's and PETRONAS's interests in the Doba Oil Project and the Chad-Cameroon ETS for considerations of US\$360 million (with a further oil price contingent payment of up to US\$50 million), subject to other adjustments, and US\$266 million, subject to working capital and customary adjustments, respectively.

Completion of the Exxon Acquisition and the PETRONAS Acquisition are each conditional upon, *inter alia*, shareholder approval at a general meeting (notice of which will be sent to shareholders upon publication of the Company's Admission Document), the waiver of pre-emption rights by other participants in the Doba Consortium and approval by the Ministry of Petroleum and Energy of the Republic of Chad. Completion of the PETRONAS Acquisition also requires receipt of merger approval from the CEMAC Council for Competition. The Exxon Acquisition and the PETRONAS Acquisition are not inter-conditional.

Under the terms of the sale and purchase agreement in respect of the Exxon Acquisition, the Company will acquire a 40 per cent. operated interest in the Doba Oil Project, a 40.19 per cent. interest in the Chad Pipeline Company and a 41.06 per cent. interest in the Cameroon Pipeline Company. Under the terms of the sale and purchase agreement in respect of the PETRONAS Acquisition, the Company will acquire a 35 per cent. interest in the Doba Oil Project, a 30.16 per cent. interest in the Chad Pipeline Company and a 29.77 per cent. interest in the Cameroon Pipeline Company.

In aggregate, Savannah will acquire, assuming Completion of both the Exxon Acquisition and the PETRONAS Acquisition:

- a 75.00 per cent. participating interest in the Doba Oil Project which comprises seven producing oil fields with 186.5 MMstb of 2P Reserves and 2C Resources and which produced an average gross daily production of 33.7 Kbpod (net 25.3 Kbpod) in 2020;
- a 70.34 per cent. equity interest in the company which owns the 178 km section of the Chad-Cameroon ETS that runs from the Doba Oil Project to the Cameroon border (the "Chad Pipeline Company"); and
- a 70.83 per cent. equity interest in the company which owns the 903 km section of the Chad-Cameroon ETS that runs from the border, through Cameroon and the associated export facilities, including the Kome Kribi 1 FSO (the "Cameroon Pipeline Company").

Due to their size and nature, both the Exxon Acquisition and the PETRONAS Acquisition individually constitute reverse takeover transactions pursuant to AIM Rule 14.

Funding the Exxon Acquisition and the PETRONAS Acquisition

The considerations payable for the Exxon Acquisition and the PETRONAS Acquisition will be funded by a combination of the Debt Financing, Placing, Subscription and the Junior Loan Facility, further details of which are set out in the appendices of this announcement and in the Company's Admission Document to be published.

The Placing is not conditional on the Exxon Acquisition or the PETRONAS Acquisition completing.

Completion of the Acquisitions

Completion of the Exxon Acquisition is conditional upon, *inter alia*, shareholder approval at a general meeting (notice of which will be sent to shareholders upon publication of the Company's Admission Document) and Ministerial Consent, which is expected to be received by March 2022. The Exxon Acquisition is also conditional upon an IT systems transition process, which is expected to take approximately six months from the signature of the Exxon SPA. Therefore, completion of the Exxon Acquisition is expected to take place during or around June 2022.

Assuming completion of the Exxon Acquisition (such that all conditions precedent are satisfied), the Company's existing quotation on AIM will be cancelled and re-admission of the then group (including the entities acquired pursuant to the PETRONAS Acquisition to the extent the PETRONAS Acquisition has completed), as enlarged by the Exxon Acquisition, will become effective.

Completion of the PETRONAS Acquisition is conditional upon, *inter alia*, Shareholder approval at a general meeting (notice of which will be sent to shareholders upon publication of the Company's Admission Document) and Ministerial Consent, which is expected to be received by March 2022. Completion of the PETRONAS Acquisition also requires receipt of merger approval from the CEMAC Council for Competition, and such approval can take up to six months to be determined, following submission of the notification by Savannah Energy Chad Limited, which is expected to be made shortly after publication of the Company's Admission Document. Therefore, should the CEMAC Council for Competition take the full six months to provide its approval, completion of the PETRONAS Acquisition would be expected to take place during or around June 2022.

Assuming Completion of the PETRONAS Acquisition (such that all conditions precedent are satisfied), the Company's existing quotation on AIM will be cancelled and re-admission of the then group (including the entities acquired pursuant to the Exxon Acquisition, to the extent the Exxon Acquisition has completed), as enlarged by the PETRONAS Acquisition, will become effective.

On completion of each of the Exxon Acquisition and the PETRONAS Acquisition, the Company shall be required to publish a supplementary admission document pursuant to the AIM Rules.

Further details on the Exxon Acquisition and the PETRONAS Acquisition are set out in Appendix II of this announcement.

Current Trading

The Nigerian Assets year-to-date cash collections for the period ended 13 December 2021 amount to US\$201.3 million. This is 7 per cent. higher than FY 2020 cash collections of US\$187.4 million and 20 per cent. higher than FY 2020 cash collections when an adjustment is made for the non-recurring US\$20 million contract re-negotiation payment received from Lafarge Africa in FY 2020.

Financial Guidance Issued for FY 2022

The Company is issuing financial guidance for the full year 2022 as follows:

	Existing Business	Exxon & PETRONAS Acquisitions	Total¹
Total Revenues²	≥US\$215 million	US\$381 million	≥US\$596 million
Opex and G&A³	≤US\$75 million	US\$151 million	≤US\$226 million
Depreciation, Depletion and Amortisation	US\$21 million + US\$2.3/boe	US\$26 million	US\$47 million + US\$2.3/boe (Nigeria)
Capital Expenditure	≤US\$85 million	US\$30 million	≤US\$115 million

Shareholder Returns Policy

The Directors view Savannah as a high cashflow growth company and expect to re-invest the majority of internally generated post-debt service cashflows in organic and in-organic growth projects consistent with the Company's corporate strategy. However, the Directors also recognise the importance of paying a regular and growing dividend to Shareholders. Over the course of the

¹ Assumes a six-month contribution from the acquisition assets based on 1 July 2022 expected completion date.

² Total Revenues are defined as the total amount of invoiced sales during the period. This number is seen by management as more accurately reflecting the underlying cash generation capacity of the business as opposed to Revenue recognised in the Condensed Consolidated Statement of Comprehensive Income. A detailed explanation of the impact of IFRS 15 revenue recognition rules on our Consolidated Statement of Comprehensive Income is provided in the Financial Review section of the Savannah Energy Annual Report and Accounts 2020.

³ Group Administrative Expenses and Operating Costs are defined as total cost of sales, administrative and other operating expenses excluding royalty and depletion, depreciation and amortisation.

next 12 months, the Company expects to formalise and announce a dividend policy centred around its underlying free cashflow generation, with the anticipation being that a minimum dividend of US\$10 million would be paid in H1 2023 in respect of full year 2022.

Additional Information on the Placing and the Bookbuild

The Bookbuild will open with immediate effect following this announcement. The Placing Shares will be placed at the Placing Price. The final number of Placing Shares will be determined following the close of the Bookbuild. The Placing Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares. It is expected that the Placing Shares will be admitted to trading on AIM on or around 7 January 2022.

The timing of the closing of the Bookbuild and allocations of Placing Shares is at the discretion of the Joint Bookrunners and the Company. The details of the results of the Placing will be announced as soon as practicable after the close of the Bookbuild. Your attention is drawn to the detailed terms and conditions of the Placing described in Appendix I and the risk factors detailed in Appendix III (the "Risk Factors") (which both form part of this announcement).

By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this announcement in its entirety (including the Appendices) and to be making such offer on the terms and subject to the conditions in it, and to providing the representations, warranties and acknowledgements contained in the Appendices.

Please note that Appendices II, III and IV of this announcement, together with the Definitions and Glossary sections which follow, are extracts from the Pathfinder Admission Document, which has been shared with certain investors, and, therefore, remains in draft form and will be subject to finalisation upon close of the Bookbuild.

Further announcements will be made in due course.

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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").

About Savannah Energy:

Savannah Energy PLC is an AIM listed British independent energy company focused around the delivery of **Projects that Matter** in Africa. In Nigeria, the Company has controlling interests in the cash flow generative Uquo and Stubb Creek oil and gas fields, and the Accugas midstream business in South East Nigeria, which provides gas enabling over 10% of Nigeria's thermal power generation. In Niger, the Company has licence interests covering approximately 50% of the highly oil prolific Agadem Rift Basin of South East Niger, where the Company has made five oil discoveries and seismically identified a large exploration prospect inventory consisting of 146 exploration targets to be considered for potential future drilling activity. The Company has announced that it is in the process of acquiring a portfolio of upstream and midstream assets in Chad and Cameroon.

Further information on Savannah Energy PLC can be found on the Company's website: www.savannah-energy.com.

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The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities' regulatory authority of any state or other jurisdiction of the United States. The securities may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. There will be no public offer of the securities in the United States. The securities referred to herein have not been registered under the applicable securities laws of, Canada, Australia or Japan or and, subject to certain exceptions, may not be offered or sold within Canada, Australia or Japan or to any national, resident or citizen of Canada, Australia or Japan.

Neither the Company, Strand Hanson Limited, finnCap Ltd, Panmure Gordon (UK) Limited or any of their respective parent or subsidiary undertakings, or the subsidiary undertakings of any such parent undertakings, or any of such person's respective directors, officers, employees, agents, affiliates or advisers or any other person ("their respective affiliates") accepts any responsibility or liability whatsoever for/ or makes any representation or warranty, express or implied, as to this announcement, including the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith. The Company, Strand Hanson Limited, finnCap Ltd, Panmure Gordon (UK) Limited and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract or otherwise which they might otherwise have in respect of this announcement or its contents or otherwise arising in connection therewith.

Forward-looking statements

This announcement contains statements that may constitute forward-looking statements, including statements about current beliefs and expectations of the Directors. In particular, the words "envisage", "projects", "expect", "anticipate", "estimate", "may", "should", "plan", "intend", "will", "would", "could", "target", "believe" and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward looking statements. Such forward looking statements relate to matters that are not historical facts. These statements appear in a number of places throughout this announcement and the Admission Document and include statements regarding the Board's expectations of external conditions and events, current business strategy, plans and the other objectives of management for future operations and estimates and projections of the Enlarged Group's financial performance. Though the Board believes these expectations to be reasonable at the date of this document, they may prove to be erroneous. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, achievements or performance of the Enlarged Group, or the industry in which the Enlarged Group operates, to be materially different from any future results, achievements

or performance expressed or implied by such forward looking statements. Prospective investors are strongly recommended to read the risk factors set out in Appendix III to this announcement.

Any forward-looking statement in this announcement speaks only as of the date it is made. Save as required by law or regulation or the AIM Rules for Companies, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in the Admission Document that may occur due to any change in the Board's expectations or in order to reflect events or circumstances after the date of publication of the Admission Document. Any forward-looking statement in this announcement based on past or current trends and/or activities of the Enlarged Group should not be taken as a representation or assurance that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or to imply that the earnings of the Company or Enlarged Group for the current year or future years will match or exceed the historical or published earnings of the Enlarged Group.

Information to Distributors UK Product Governance Requirements

Solely for the purposes of Paragraph 3.2.7R regarding the responsibilities of UK Manufacturers under the Product Governance requirements contained in Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK Product Governance Requirements") and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in UK Product Governance Requirements; and (ii) eligible for distribution through all distribution channels as are permitted by UK Product Governance Requirements (the "UK Target Market Assessment"). Notwithstanding the UK Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The UK Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing.

For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

EU Product Governance Requirements

Solely for the purposes of the product governance requirements contained in MiFID II and Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II (the "EU Product Governance Requirements") and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the EU Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in EU Product Governance Requirements; and (ii) eligible for distribution through all distribution channels as are permitted by EU Product Governance Requirements (the "EU Target Market Assessment"). Notwithstanding the EU Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The EU Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing.

Furthermore, it is noted that, notwithstanding the UK Target Market Assessment and the EU Target Market Assessment, the Brokers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the EU Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

APPENDIX I TERMS AND CONDITIONS OF THE PLACING

Introduction

IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, AND THE INFORMATION IN IT, IS RESTRICTED, AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, ANY RESTRICTED JURISDICTION OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

THE PLACING SHARES THAT ARE THE SUBJECT OF THE PLACING ARE NOT BEING OFFERED OR SOLD TO ANY PERSON IN THE EUROPEAN ECONOMIC AREA ("**EEA**") OR THE UK, OTHER THAN TO QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE PROSPECTUS REGULATION (EU) 2017/1129 ("**EU PROSPECTUS REGULATION**") OR WITHIN THE MEANING OF ARTICLE 2(E) OF THE PROSPECTUS REGULATION (EU) 2017/1129 AS IT FORMS PART OF THE LAW OF ENGLAND AND WALES BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**UK PROSPECTUS REGULATION**"), WHICH INCLUDES LEGAL ENTITIES WHICH ARE REGULATED BY THE FCA OR ENTITIES WHICH ARE NOT SO REGULATED WHOSE CORPORATE PURPOSE IS SOLELY TO INVEST IN SECURITIES.

MEMBERS OF THE PUBLIC IN THE UK OR ELSEWHERE ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION ("**EU QUALIFIED INVESTORS**"); OR (B) PERSONS IN THE UNITED KINGDOM WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE UK PROSPECTUS REGULATION ("**UK QUALIFIED INVESTORS**") WHO ALSO (I) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL PROMOTION ORDER, OR (II) FALL WITHIN ARTICLE 49(2)(A) TO (D) OF THE FINANCIAL PROMOTION ORDER; OR ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED AND (III) ARE A "**PROFESSIONAL CLIENT**" OR AN "**ELIGIBLE COUNTERPARTY**" WITHIN THE MEANING OF CHAPTER 3 OF THE FCA'S CONDUCT OF BUSINESS SOURCEBOOK; OR (C) OTHER PERSONS TO WHOM IT MAY LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS NOT AN OFFER FOR SALE OR SUBSCRIPTION IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION. THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS NOT AN OFFER OF OR SOLICITATION TO PURCHASE OR SUBSCRIBE FOR SECURITIES IN THE UNITED STATES.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN PLACING SHARES. THE PRICE OF THE PLACING SHARES IN THE COMPANY AND THE INCOME FROM THEM (IF ANY) MAY GO DOWN AS WELL AS UP AND INVESTORS MAY NOT GET BACK THE FULL AMOUNT INVESTED ON DISPOSAL OF THE PLACING SHARES.

Placees will be deemed to have read and understood this announcement and these terms and conditions in their entirety and to be making such offer on the terms and conditions and to be providing the representations, warranties, acknowledgements, and undertakings contained in this Appendix. In particular, each such Placee represents, warrants and acknowledges that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, (i) the Placing Shares acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State of the EEA or the UK other than EU Qualified Investors under Article 2(e) the EU Prospectus Regulation, or UK Qualified Investors or in circumstances in which the prior consent of Panmure Gordon and finnCap has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in any Member State of the EEA or the UK other than EU Qualified Investors or UK Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Regulation as having been made to such persons; and/or
3. if it is in the United States (i) it is a qualified institutional buyer (or QIB), as defined in Rule 144A under the US Securities Act of 1933, as amended; or (ii) it is a dealer or other professional fiduciary in the United States acting for a discretionary account (other than an estate or trust) held for the benefit or account of a non-U.S. person in reliance on Regulation S.

The Company, Panmure Gordon and finnCap will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Neither Panmure Gordon nor finnCap makes any representation to any Placée regarding an investment in the Placing Shares referred to in this announcement (including this Appendix).

This announcement (including this Appendix) does not constitute an offer, and may not be used in connection with an offer, to sell or issue or the solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction in which such offer or solicitation is or may be unlawful. This announcement (including this Appendix) and the information contained herein is not for publication or distribution, directly or indirectly, to persons in the United States, the Restricted Jurisdiction or in any jurisdiction in which such publication or distribution is unlawful. Persons who come into possession of this announcement are required by the Company to inform themselves about and to observe any restrictions of transfer of this announcement. No public offer of securities of the Company under the Placing is being made in the United Kingdom, the United States or any Restricted Jurisdiction.

In particular, the Placing Shares referred to in this announcement have not been and will not be registered under the Securities Act and may not be offered or sold, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the Securities Act. The Placing Shares are only being offered and sold outside the United States in offshore transactions in accordance with Regulation S under the Securities Act and in the United States only to QIBs.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance; and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of any of the Restricted Jurisdiction. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the Restricted Jurisdiction or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Appendix or the announcement of which it forms part should seek appropriate advice before taking any action.

Details of the Placing

Panmure Gordon, finnCap and Strand Hanson Limited ("Strand Hanson") have entered into the Placing Agreement with the Company under which each of Panmure Gordon and finnCap have, on the terms and subject to the conditions set out therein, undertaken to use its reasonable endeavours to procure, as agent for the Company, subscribers for the Placing Shares at the Placing Price.

The Placing Agreement contains customary warranties given by the Company and its directors to Panmure Gordon, finnCap and Strand Hanson as to matters relating to the Company and its business and a customary indemnity given by the Company to Panmure Gordon, finnCap and Strand Hanson in respect of liabilities arising out of, or in connection with, the Placing.

Panmure Gordon and finnCap (after consultation with the Company) reserves the right to scale back the number of Placing Shares to be subscribed by any Placee in the event of applications in excess of the target amount under the Placing. The Company, Panmure Gordon and finnCap also reserve the right not to accept offers to subscribe for Placing Shares or to accept such offer in part rather than in whole. Panmure Gordon and finnCap shall be entitled to effect the Placing by such method as they shall in their sole discretion determine. To the fullest extent permissible by law, neither Panmure Gordon, finnCap nor any holding company of Panmure Gordon, finnCap nor any subsidiary branch or affiliate of Panmure Gordon, finnCap (each an affiliate) nor any person acting on behalf of any of the foregoing shall have any liability to the Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither Panmure Gordon, finnCap nor any affiliate thereof nor any person acting on their behalf shall have any liability to Placees in respect of their conduct of the Placing.

Each Placee's obligations will be owed to the Company, Panmure Gordon and to finnCap. Following the confirmation referred to below in the paragraph entitled "Participation in, and principal terms of, the Placing", each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to Panmure Gordon or finnCap, to pay to Panmure Gordon or finnCap (or as Panmure Gordon and finnCap may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares which such Placee has agreed to acquire.

Each Placee agrees to indemnify on demand and hold each of Panmure Gordon and finnCap and the Company, and their respective affiliates harmless from any all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the acknowledgments, undertakings, representations, warranties and agreements set forth in these terms and conditions and any contract note.

The Placing is also conditional upon the Placing Agreement becoming unconditional and the Placing Agreement not being terminated in accordance with its terms. Further details of conditions in relation to the Placing are set out below in the paragraph entitled "Conditions of the Placing".

A Placee agrees to become a member of the Company and agrees to subscribe for those Placing Shares allocated to it by Panmure Gordon and finnCap at the Placing Price, conditional on: (i) Admission occurring and becoming effective by 8.00 a.m. on 7 January 2022 (or, such later time and/or date, not being later than 8.00 a.m. on 13 January 2022, as the Company, Panmure Gordon and finnCap may agree); (ii) the Placing Agreement becoming otherwise unconditional in all relevant respects and not having been terminated in accordance with its terms on or before the date of Admission; and (iii) Panmure Gordon and finnCap confirming to the Placees their allocation of Placing Shares.

To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

Application for Admission to Trading

Application will be made to the London Stock Exchange for Admission. It is expected that settlement of the Placing Shares and Admission will become effective on or around 8.00 a.m. on 7 January 2022 and that dealings in the Placing Shares will commence at that time.

Payment for Shares

Each Placee has a separate, irrevocable and binding obligation to pay the Placing Price in cleared funds for the number of Placing Shares duly allocated to the Placee under the Placing in the manner and by the time directed by Panmure Gordon and finnCap. If any Placee fails to pay as so directed and/or by the time directed, the relevant Placee's application for Placing Shares shall at Panmure Gordon's and/or

finnCaps' discretion either be rejected or accepted in which case the paragraph below entitled "Registration and Settlement" shall apply to such application.

Participation in, and Principal Terms of, the Placing

Each of Panmure Gordon and finnCap (whether through itself or any of its affiliates) is arranging the Placing as placing agent of the Company for the purpose of using reasonable endeavours to procure Placees at the Placing Price for the Placing Shares.

Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by Panmure Gordon and finnCap. Each of Panmure Gordon and finnCap and its affiliates may participate in the Placing as principal.

By participating in the Placing, Placees will be deemed to have read and understood this announcement, including this Appendix, in its entirety and to be participating and making an offer for Placing Shares on the terms and conditions, and to be providing the representations, warranties, acknowledgements, agreements and undertakings contained in this Appendix.

This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

The number of Placing Shares to be issued, and the extent of each Placee's participation in the Placing (which will not necessarily be the same for each Placee), will be agreed by Panmure Gordon, finnCap, and the Company following completion of the bookbuilding process in respect of the Placing (the "**Bookbuild**"). No element of the Placing will be underwritten. The aggregate number of Placing Shares will be announced on a Regulatory Information Service following completion of the Bookbuild.

A Placee's commitment to acquire a fixed number of Placing Shares under the Placing will be agreed orally with Panmure Gordon and finnCap as agents of the Company. Each Placee's allocation will be confirmed to Placees orally or by email by Panmure Gordon and finnCap, and a form of confirmation will be dispatched as soon as possible thereafter. The oral or email confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of Panmure Gordon and finnCap and the Company, under which it agrees to acquire the number of Placing Shares allocated to it at the Placing Price on the terms and conditions set out in this Appendix and in accordance with the articles of association of the Company.

Except as required by law or regulation, no press release or other announcement will be made by Panmure Gordon, finnCap or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.

Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made on the basis explained below under the paragraph entitled "Registration and Settlement".

All obligations under the Placing will be subject to fulfilment or (where applicable) waiver of, amongst other things, the conditions referred to below and to the Placing not being terminated on the basis referred to below.

By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.

To the fullest extent permissible by law, none of the Company, Panmure Gordon or finnCap or any of their respective affiliates shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise under these terms and conditions). In particular, none of the Company, Panmure Gordon or finnCap or any of their respective affiliates shall have any liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of Panmure Gordon's and finnCaps' conduct of the Placing. Each Placee acknowledges and agrees that the Company is responsible for the

issue of the Placing Shares to the Placees and Panmure Gordon and finnCap shall have no liability to the Placees for the failure of the Company to fulfil those obligations.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

Panmure Gordon's and finnCap's obligations under the Placing Agreement in respect of the Placing Shares are conditional on, *inter alia*:

1. the Company allotting, subject only to Admission, the Placing Shares in accordance with the Placing Agreement;
2. Admission taking place not later than 8.00 a.m. on 7 January 2022 (or such later date as may be agreed in writing between the Company, Panmure Gordon and finnCap); and
3. the Company having complied with its obligations under the Placing Agreement.

If (a) any of the conditions contained in the Placing Agreement in relation to the Placing Shares are not fulfilled or waived by Panmure Gordon, finnCap and Strand Hanson by the respective time or date where specified (or such later time or date as the Company, Panmure Gordon, finnCap and Strand Hanson may agree not being later than 5.00 p.m. on the "Final Date"); or (b) the Placing Agreement is terminated as described below, the Placing in relation to the Placing Shares will lapse and the Placee's rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof.

Subject to certain exceptions, each of Panmure Gordon, finnCap and Strand Hanson may, at its absolute discretion and upon such terms as it thinks fit, waive, or extend the period (up to the Final Date) for, compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement. Any such extension or waiver will not affect Placees' commitments as set out in this announcement.

None of Panmure Gordon, finnCap, Strand Hanson nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Panmure Gordon, finnCap and Strand Hanson.

Right to Terminate under the Placing Agreement

Panmure Gordon, finnCap and Strand Hanson are entitled, at any time before Admission, to terminate the Placing Agreement by giving notice to the Company in certain circumstances, including, *inter alia*:

1. the Company has failed to comply with any of its obligations under the Placing Agreement which is material in the context of the Placing and/or Admission; or
2. any of the warranties given by the Company to Panmure Gordon, finnCap and/or Strand Hanson under the Placing Agreement not being true or accurate in any material respect when given; or
3. if, amongst other things, there is a material adverse change in the condition, earnings, business, operations or prospects of the Group or if there is a material adverse change in the financial, political, economic or stock market conditions, which in Panmure Gordon's, finnCap's and/or Strand Hanson's reasonable opinion (acting in good faith) makes it impractical or inadvisable to proceed with the Placing.

Following Admission, the Placing Agreement is not capable of termination to the extent that it relates to the Placing of the Placing Shares.

The rights and obligations of the Placees shall terminate only in the circumstances described in these terms and conditions and in the Placing Agreement and will not be subject to termination by the Placee or any prospective Placee at any time or in any circumstances. By participating in the Placing, Placees agree that the exercise by Panmure Gordon, finnCap and Strand Hanson of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Panmure Gordon, finnCap and Strand Hanson and that they need not make any reference to Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise or decision not to exercise. Placees will have no rights against Panmure Gordon, finnCap, Strand Hanson, the Company or any of their respective directors or employees under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended).

No Prospectus

The Placing Shares are being offered to Relevant Persons only and will not be offered in such a way as to require a prospectus in the United Kingdom or elsewhere. No offering document or prospectus has been or will be submitted to be approved by the FCA in relation to the Placing and Placees' commitments will be made solely on the basis of the information contained in this announcement (including this Appendix) and certain business and financial information the Company is required to publish in accordance with the AIM Rules and the rules and practices of the FCA (collectively "**Exchange Information**").

Each Placee, by accepting a participation in the Placing, agrees that the content of this announcement, including this Appendix, is exclusively the responsibility of the Company and confirms that it has not relied on any other information (other than the Exchange Information), representation, warranty, or statement made by or on behalf of the Company, Panmure Gordon and/or finnCap or any other person and none of Panmure Gordon, finnCap nor the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and Settlement

Settlement of transactions in the Placing Shares (ISIN: GB00BP41S218) following Admission will take place within CREST provided that, subject to certain exceptions, Panmure Gordon and finnCap reserve the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees by such other means that they deem necessary if delivery or settlement is not possible or practicable within CREST within the timetable set out in this announcement or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

Each Placee allocated Placing Shares in the Placing will be sent a form of confirmation stating the number of Placing Shares allocated to it at the Placing Price, the aggregate amount owed by such Placee to Panmure Gordon and/or finnCap (as agents for the Company) and settlement instructions (including the trade date which will be 31 December 2021). Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the CREST or certificated settlement instructions that it has in place with Panmure Gordon and/or finnCap. Each Placee will also be sent a trade confirmation on the trade date (referred to above) confirming the details of the trade (being the acquisition of the relevant number of Placing Shares).

Settlement of transactions in the Placing Shares (ISIN: GB00BP41S218) following Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST of the Placing Shares is expected to take place on 7 January 2022 unless otherwise notified by Panmure Gordon and finnCap and Admission is expected to occur no later than 8.00 a.m. on 7 January 2022 unless otherwise notified by Panmure Gordon and finnCap.

Admission and settlement may occur at an earlier date. Settlement will be on a delivery versus payment basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company, Panmure Gordon and finnCap may agree that the Placing Shares should be issued in certificated form. Panmure Gordon and finnCap reserve the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as they deem necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above Libor as determined by Panmure Gordon and finnCap.

Each Placee is deemed to agree that, if it does not comply with these obligations, Panmure Gordon and finnCap may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for Panmure Gordon's and finnCap's account and benefit (as agents for the Company), an amount equal to the aggregate amount owed by the Placee plus any interest due. Any excess proceeds will pass to the relevant Placee at its risk. The relevant Placee will, however, remain liable and shall indemnify Panmure Gordon and finnCap on demand for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on each of Panmure Gordon and finnCap all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Panmure Gordon and/or finnCap lawfully takes in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the form of confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax or securities transfer tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations, Warranties and Further Terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) makes the following representations, warranties, acknowledgements, agreements and undertakings (as the case may be) to the Company, Panmure Gordon and finnCap, namely that, each Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read and understood this announcement, including this Appendix, in its entirety and that its subscription of Placing Shares is subject to, and based upon, all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this announcement (including this Appendix);
2. acknowledges that no offering document or prospectus has been prepared in connection with the placing of the Placing Shares and represents and warrants that it has not received a prospectus or other offering document in connection therewith;
3. acknowledges that the Placing Shares are admitted to trading on AIM, and the Company is therefore required to publish Exchange Information, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that the Placee is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;

4. acknowledges that the content of this announcement (including this Appendix) is exclusively the responsibility of the Company, and that none of Panmure Gordon and/or finnCap, their affiliates or any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this announcement (including this Appendix) or any information previously or concurrently published by or on behalf of the Company (including any Exchange Information), and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this announcement (including this Appendix) or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares is contained in this announcement (including this Appendix) and any Exchange Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Panmure Gordon and finnCap or the Company or any of their respective directors, officers or employees or any person acting on behalf of any of them (including with respect to the Company, the Placing, the Placing Shares or the accuracy, completeness or adequacy of any publicly available information), or, if received, it has not relied upon any such information, representations, warranties or statements, and none of Panmure Gordon, finnCap nor the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement. Each Placee further acknowledges and agrees that it may not place the same degree of reliance on this announcement as it may otherwise place on a prospectus or admission document. Each Placee further acknowledges and agrees that it has relied solely on its own investigation of the business, financial or other position of the Company and the terms of the Placing in deciding to participate in the Placing and it will not rely on any investigation that Panmure Gordon, finnCap and their affiliates or any other person acting on their behalf has or may have conducted;
5. represents and warrants that it has neither received nor relied on any confidential price sensitive information concerning the Company in accepting this invitation to participate in the Placing;
6. acknowledges that Panmure Gordon and finnCap do not have any duties or responsibilities to it, or their clients, similar or comparable to the duties of "best execution" and "suitability" imposed by the Conduct of Business Sourcebook in the FCA's Handbook of Rules and Guidance and that Panmure Gordon and finnCap are not acting for it or their clients and that Panmure Gordon and finnCap will not be responsible for providing protections to it or their clients;
7. acknowledges that none of Panmure Gordon, finnCap and any of their affiliates or any person acting on behalf of them has or shall have any liability for any publicly available or filed information (including any Exchange Information) or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
8. that, save in the event of fraud on the part of Panmure Gordon and finnCap (and to the extent permitted by the FCA), neither Panmure Gordon nor finnCap, their respective ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding companies, nor any of their respective directors and employees shall be liable to Placees for any matter arising out of Panmure Gordon's and finnCap's role as placing agent or otherwise in connection with the Placing and that where any such liability nevertheless arises as a matter of law, Placees will immediately waive any claim against any of such persons which it may have in respect thereof;
9. represents and warrants that a) it is not in the United States; or b) it is a dealer or other professional fiduciary in the United States acting for a discretionary account (other than an estate or trust) held for the benefit or account of a non U.S. Person in reliance on Regulation S;

10. unless otherwise specifically agreed in writing with Panmure Gordon and finnCap, represents and warrants that neither it nor the beneficial owner of such Placing Shares will be a resident of a Restricted Jurisdiction;
11. acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of a Restricted Jurisdiction and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within those jurisdictions;
12. represents and warrants that the issue to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to transfer Placing Shares into a clearance system;
13. represents and warrants that: (i) it has complied with and will continue to comply with its obligations under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of the law of England and Wales by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"), Criminal Justice Act 1993 and Part VIII of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and other applicable law; (ii) in connection with money laundering and terrorist financing, it has complied with its obligations under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) 2017 Regulations, and any other applicable law (where all such legislation listed under this (ii) shall together be referred to as the "**AML Legislation**"); and (iii) it is not a person: (1) with whom transactions are prohibited under the Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of the Treasury; (2) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (3) subject to financial sanctions imposed pursuant to a regulation of the EU or a regulation adopted by the United Nations (together, the "**Regulations**"); and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and pursuant to AML Legislation and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to Panmure Gordon, finnCap or the Company such evidence, if any, as to the identity or location or legal status of any person (including in relation to the beneficial ownership of any underlying investor) which Panmure Gordon, finnCap or the Company may request from it in connection with the Placing (for the purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise or any other information as may be required to comply with legal or regulatory requirements (including in particular under the AML Legislation)) in the form and manner requested by Panmure Gordon, finnCap or the Company on the basis that any failure by it to do so may result in the number of Placing Shares that are to be purchased by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as Panmure Gordon and/or finnCap may decide at its sole discretion;
14. if a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation, represents and warrants that the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Member State of the EEA or the UK other than EU Qualified Investors or UK Qualified Investors respectively, or in circumstances in which the prior consent of Panmure Gordon and finnCap has been given to the offer or resale;
15. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA or the UK prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any Member State of the EEA

or the UK within the meaning of the EU Prospectus Regulation or UK Prospectus Regulation respectively;

16. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
17. represents and warrants that it has complied and will comply with all applicable provisions of the FSMA and the Financial Services Act 2012 with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
18. if in the United Kingdom, represents and warrants that it is a UK Qualified Investor who: (i) falls with Articles 49(2)(A) to (D) or 19(5) of the Order or (ii) it is a person to whom the Placing Shares may otherwise be lawfully offered under such Order or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the Placing Shares may be lawfully offered under that other jurisdiction's laws and regulations; and (iii) is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook;
19. represents and warrants that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions and that it has all necessary capacity and has obtained all necessary consents and authorities and taken any other necessary actions to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this announcement (including this Appendix)) and will honour such obligations;
20. where it is acquiring Placing Shares for one or more managed accounts, represents and warrants that it is authorised in writing by each managed account: (i) to acquire the Placing Shares for each managed account; (ii) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this Appendix and the Announcement of which it forms part; and (iii) to receive on its behalf any investment letter relating to the Placing in the form provided to it by Panmure Gordon and/or finnCap;
21. undertakes that it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with this announcement (including this Appendix) on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers or sold as Panmure Gordon and/or finnCap may in their sole discretion determine and without liability to such Placee and it will remain liable and will indemnify Panmure Gordon and finnCap on demand for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear the liability for any stamp duty or stamp duty reserve tax or security transfer tax (together with any interest or penalties due pursuant to or referred to in these terms and conditions) which may arise upon the placing or sale of such Placee's Placing Shares on its behalf;
22. acknowledges that neither Panmure Gordon, finnCap nor any of its affiliates, or any person acting on behalf of any of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be treated for these purposes as a client of Panmure Gordon and/or finnCap and that Panmure Gordon and/or finnCap do not have any duties or responsibilities to it for providing the protections afforded to their respective clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of their rights and obligations thereunder, including any rights to waive or vary any conditions or exercise any termination right;

23. undertakes that the person whom it specifies for registration as holder of the Placing Shares will be (i) itself; or (ii) its nominee, as the case may be. Neither Panmure Gordon, finnCap nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing and it agrees to indemnify the Company, Panmure Gordon and finnCap in respect of the same on the basis that the Placing Shares will be issued to the CREST stock account of Panmure Gordon and/or finnCap who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
24. acknowledges that these terms and conditions and any agreements entered into by it pursuant to these terms and conditions and any non-contractual obligations arising out of or in connection with such agreement shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter (including non-contractual matters) arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company, Panmure Gordon or finnCap in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
25. acknowledges that time shall be of the essence as regards to obligations pursuant to this Appendix;
26. agrees that the Company, Panmure Gordon and finnCap and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to Panmure Gordon and finnCap on their own behalf and on behalf of the Company and are irrevocable and are irrevocably authorised to produce this announcement or a copy thereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby;
27. agrees to indemnify on an after-tax basis and hold the Company, Panmure Gordon and finnCap and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
28. acknowledges that no action has been or will be taken by any of the Company, Panmure Gordon, finnCap or any person acting on behalf of the Company, Panmure Gordon or finnCap that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
29. acknowledges that it is an institution that has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and in this sector and is aware that it may be required to bear, and it, and any accounts for which it may be acting, are able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing. It has relied upon its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved;
30. acknowledges that its commitment to subscribe for Placing Shares on the terms set out herein will continue, notwithstanding any amendment that may in the future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing;
31. acknowledges that Panmure Gordon, finnCap or any of their affiliates acting as an investor for its own account may take up shares in the Company and in that capacity may retain, purchase

or sell for its own account such shares and may offer or sell such shares other than in connection with the Placing;

32. represents and warrants that, if it is a pension fund or investment company, its purchase of Placing Shares is in full compliance with all applicable laws and regulation; and
33. to the fullest extent permitted by law, it acknowledges and agrees to the disclaimers contained in the announcement, including this Appendix.

The representations, warranties, acknowledgments and undertakings contained in this Appendix are given to Panmure Gordon, finnCap and the Company and are irrevocable and shall not be capable of termination in any circumstances.

The agreement to settle a Placee's subscription (and/or the subscription of a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement assumes that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other subsequent dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which none of the Company, Panmure Gordon nor finnCap will be responsible, and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, issue or delivery of Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company, Panmure Gordon and/or finnCap in the event that any of the Company, Panmure Gordon and/or finnCap has incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify Panmure Gordon and/or finnCap accordingly.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

Each Placee, and any person acting on behalf of the Placee, acknowledges that neither Panmure Gordon nor finnCap owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.

When a Placee or person acting on behalf of the Placee is dealing with Panmure Gordon and/or finnCap, any money held in an account with Panmure Gordon and/or finnCap on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from Panmure Gordon's and/or finnCap's money in accordance with the client money rules and will be used by Panmure Gordon and/or finnCap in the course of its own business and the Placee will rank only as a general creditor of Panmure Gordon and/or finnCap.

All times and dates in this announcement (including this Appendix) may be subject to amendment, and Placees' commitments, representations and warranties are not conditional on any of the expected times and dates in this announcement (including this Appendix) being achieved. Panmure Gordon and/or finnCap shall notify the Placees and any person acting on behalf of the Placees of any changes.

Past performance is no guide to future performance and persons needing advice should consult an appropriately qualified independent financial adviser.

Panmure Gordon and finnCap are entitled, at their discretion and out of its own resources, at any time to rebate to some or all of its investors, or to other parties, part or all of its fees relating to the Placing.

APPENDIX II

PATHFINDER ADMISSION DOCUMENT – PART 1 (SECTION 2 ONWARDS) AND PART 2

2. Key investment proposition

Savannah is a British energy company focused around the delivery of *Projects that Matter* in Africa. Our Business model is currently focused around the delivery of material long-term returns for our stakeholders through the sustainable development and ultimate monetisation of high-quality, high-potential energy projects.

The Directors believe that an investment in the Company should be attractive to prospective investors for the following reasons:

2.1 The Exxon Assets and the PETRONAS Assets

The Doba Oil Project

- The Doba Oil Project has gross Proved Reserves (1P) of 100.6 MMstb and gross Proved & Probable (2P) Reserves of 138.4 MMstb, estimated by CGG:
 - of which, Proved Reserves (1P) of 40.2 MMstb and Proved & Probable (2P) Reserves of 55.4 MMstb are attributable to the Exxon Target Companies, and Proved Reserves (1P) of 35.2 MMstb and Proved & Probable (2P) Reserves of 48.4 MMstb are attributable to the PETRONAS Target Companies; and
 - the Doba Oil Project includes 120.4 MMstb of gross 2P Reserves that are categorised as requiring “No Further Investment” to be produced.
- CGG estimates 2022 gross production of 30.1 Kbopd from the Doba Oil Project, with 12.0 Kbopd attributable to the Exxon Target Companies and 10.5 Kbopd attributable to the PETRONAS Target Companies.
- CGG estimates average annual upstream asset free cashflow over the next nine years of US\$39.1 million attributable to the Exxon Target Companies and US\$32.9 million attributable to the PETRONAS Target Companies.
- Additional enhanced oil recovery (EOR), drilling, production and facilities optimisation exists to develop the full field potential of the assets.
- The Exxon Target Companies and the PETRONAS Target Companies each have concession terms through to 2050.
- Each of the Exxon Acquisition and the PETRONAS Acquisition provides a platform for the Company to build a material business with further in-country consolidation opportunities in Chad.

The Chad-Cameroon ETS

- Midstream project facilities in a mature hydrocarbon basin with established infrastructure including a 1,081 km pipeline with 250 Kbopd nameplate capacity and high operational reliability since 2003:
 - being the only international export route for oil production in Chad (pipeline used by ExxonMobil, CNPC, Glencore, OPIC and PETRONAS); and
 - potential for new adjacent operations to utilise the Chad-Cameroon Pipeline, including a number of undeveloped discoveries in Chad.
- CGG estimates average annual midstream asset free cashflow over the next nine years of US\$37.4 million attributable to the Exxon Target Companies and US\$27.2 million attributable to the PETRONAS Target Companies:
 - 49 per cent. of the total Exxon Target Companies and 45 per cent. of PETRONAS Target Companies’ cash-flow is derived from long-dated, non-oil-price dependent revenue streams.
- In aggregate, across the Doba Oil Project and the Chad-Cameroon ETS assets, CGG estimates average annual asset free cashflow over the next nine years of US\$76.6 million attributable to the Exxon Target Companies and US\$60.1 million attributable to the PETRONAS Target Companies.

2.2 Savannah's existing predictable base revenue stream

- Two high-quality, high-growth business units in Nigeria and Niger.
- Achieved revenue of US\$169.0 million, all from the Nigerian assets, in the year ended 31 December 2020.
- Nigerian Assets' future contracted revenues are derived from fixed price, long-term gas sales agreements with a weighted average remaining contract life of 16 years and over US\$4.0 billion of remaining life-of-contract revenues, of which 95 per cent. of current contracted revenues are with customers providing investment grade credit guarantees.

2.3 Savannah's proven track record of delivery

- Strong and functionally arranged operating platform, with a purposeful and performance-driven culture and highly experienced Board and senior management team.
- Proven track record of delivering improved performance from acquired assets:
 - 2020 Adjusted EBITDA increased 19 per cent. compared to pro forma Adjusted EBITDA in 2019.
- Track record of delivering capital projects on time and budget and of exploration excellence, including:
 - five discoveries from the five exploration wells drilled in Niger; and
 - R3 East exploration drilling programme in 2018 delivered on time and on budget.

2.4 Making a sustainable impact

- The Company is seeking to deliver energy projects in emerging markets, which make meaningful positive socio-economic contributions to its host countries.
- The Company strives to manage all of its operations in a safe, secure and environmentally sustainable manner.
- The Company's carbon intensity and diversity metrics are industry-leading.
- The Company's sustainability strategy is aligned with 13 of the 17 United Nations Sustainable Development Goals, where the Board believes it can have the biggest economic, environmental, social and governance impact to achieve a better and more sustainable future for its host nations in Africa.

2.5 Strong organic growth potential on Completion

- In Nigeria, the Directors expect to continue to deliver significant organic growth from a combination of increased sales to existing customers and sales to new customers.
- In Niger, the Directors expect to progress the R3 East development and the Board believes that there is significant additional longer-term growth potential associated with its bank of 146 identified exploration targets within its licence area, with export via the Niger-Benin pipeline currently under construction.
- The Company's growth ambitions are underpinned by the Enlarged Group's asset base:
 - the Nigerian Assets have a 29.2-year combined Reserve and Resource life; and
 - following completion of the Exxon Acquisition and the PETRONAS Acquisition, the Enlarged Group would have net Proved Reserves (1P) of 130.8 MMboe, net Proved & Probable (2P) Reserves of 183.1 MMboe and net Contingent Resources (2C) of 176.0 MMboe as presented in the table below.

MMboe	<i>1P</i> <i>Net</i>	<i>2P</i> <i>Net</i>	<i>2C</i> <i>Net</i>
Existing Group	55.4	79.3	93.3
Exxon Target Companies	40.2	55.4	44.1
PETRONAS Target Companies	35.2	48.4	38.6
Enlarged Group ⁽¹⁾	130.8	183.1	176.0
Percentage increase	+136%	+131%	+89%

Notes:

(1) Assuming Completion of both the Exxon Acquisition and the PETRONAS Acquisition.

- In Chad, the Directors expect to enhance asset performance through optimisation of operations and the application of alternative production technologies to improve and extend its economic life.

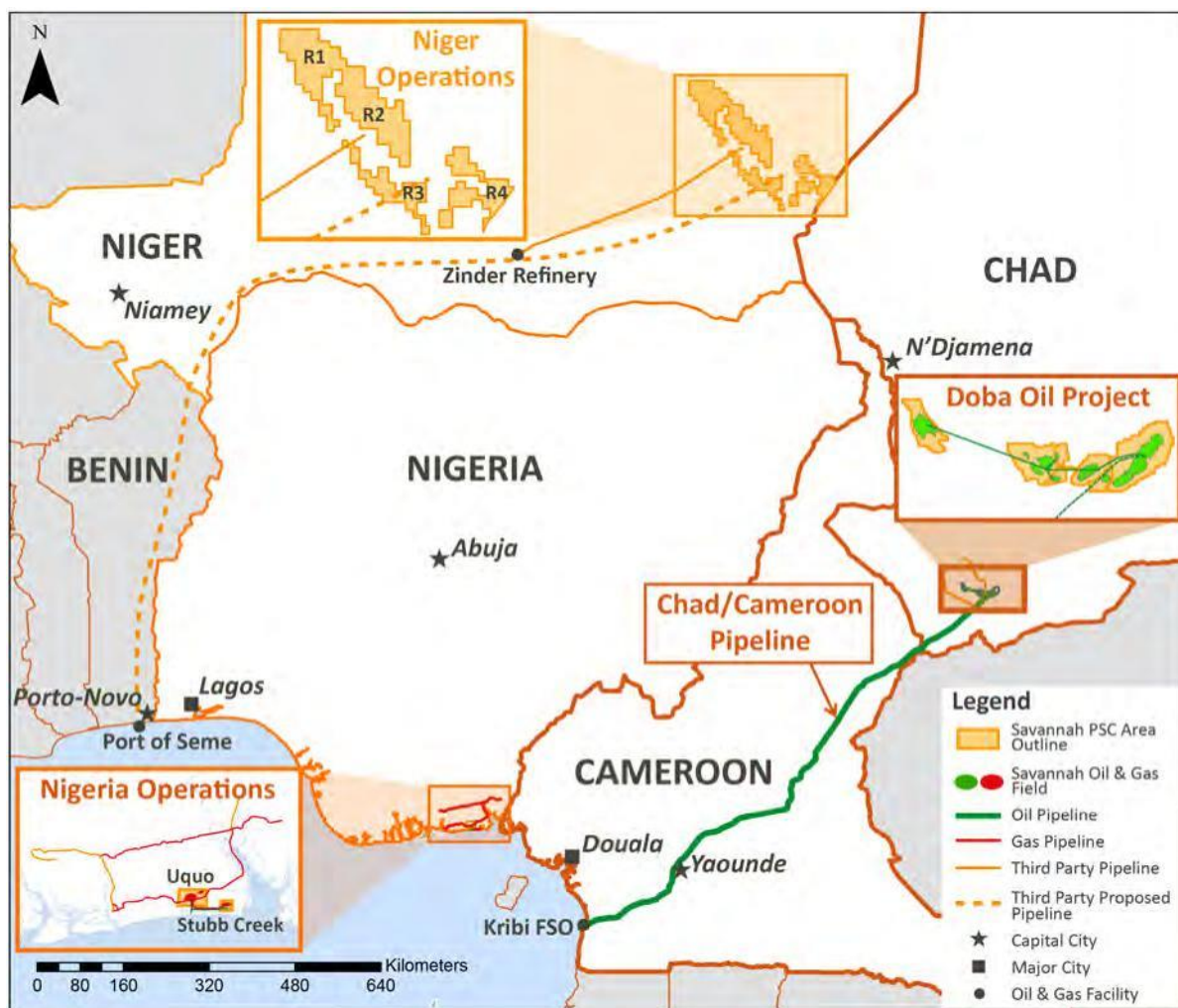
2.6 Strong inorganic growth potential

- The Company continues to actively review new projects and acquisition opportunities in its core African region focused predominantly on:
 - cash-generative, or near-term cash-generative, upstream and midstream assets;
 - “bolt-on” assets for which there is significant synergistic value to the Existing Group’s operations; and/or
 - greenfield renewable power projects.
- The Board believes that the Company’s strong operating platform and industrial reputation, access to finance and regional relationships place it well to acquire further assets in the current environment, where the seven supermajors in the industry alone have announced divestment programmes reported to amount to over US\$100 billion. The supermajors are rationalising their portfolios and divesting assets that are no longer deemed to be core and, due to the limited buyer universe, the Board believes that there are opportunities to acquire high quality assets at attractive valuations. The Board sees significant value creation potential in such transactions, with the performance improvements it has delivered in its Nigerian asset base post-acquisition being a prime example of how this can be achieved.

3. Information on the Chad/Cameroon Assets

The Chad/Cameroon Assets, comprising the Doba Oil Project and the Chad-Cameroon ETS, are led in Central and West Africa, bordering the Existing Group’s operations in Nigeria and Niger.

Figure 1, Location of the Chad/Cameroon Assets relative to the Existing Group's operations



Source: Company materials

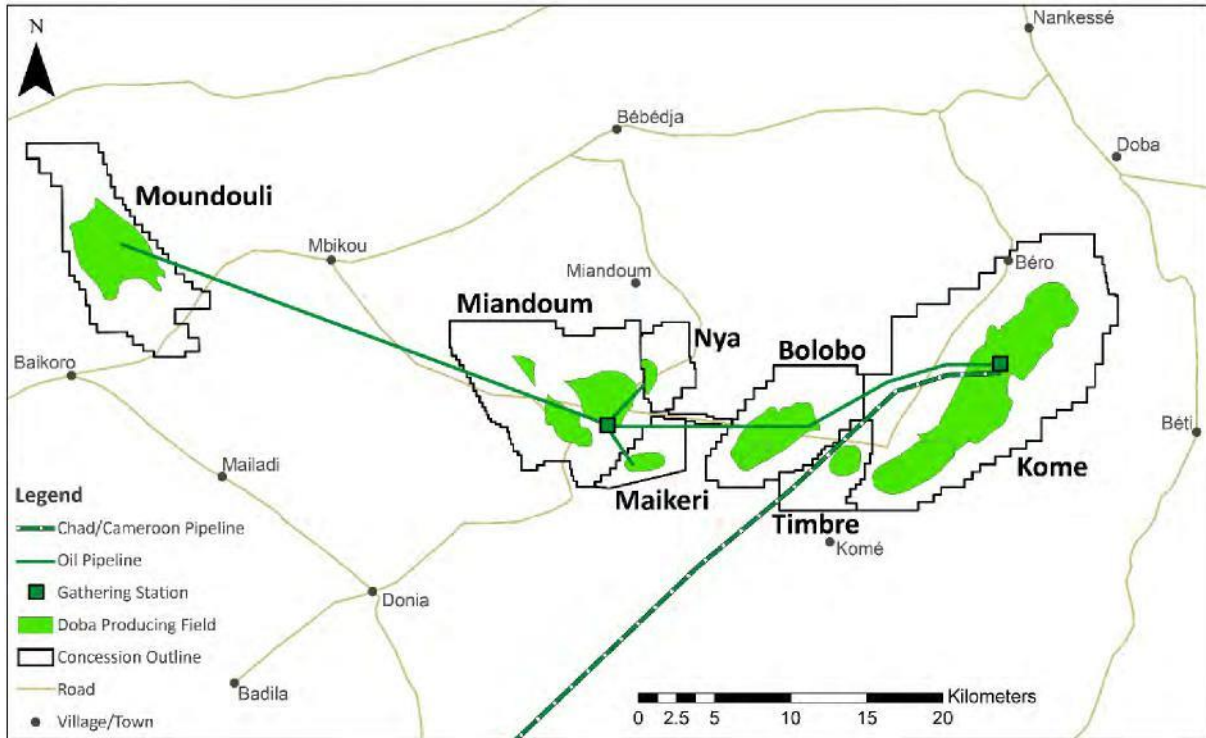
3.1 The Doba Oil Project

Overview and background

The Doba Oil Project, located in Southern Chad's established Doba Basin, is a material development, having produced 631 MMstb of crude oil since 2003 from approximately 3.8 Bnbbbls of oil initially in place. The Doba Oil Project is owned by the Doba Consortium, comprised of ExxonMobil (EPC) as operator (40 per cent.), PETRONAS (PC Chad) (35 per cent.) and Chad National Oil Company (SHT) (25 per cent.). CGG estimates expected 2022 production of 30.1 Kbpd and remaining gross 2P Reserves and 2C Resources of 138.4 MMstb and 110.2 MMstb, respectively. The oil produced is exported to international markets via the Chad-Cameroon Pipeline and then the Kome Kribi 1 FSO, offshore Cameroon.

The development comprises seven producing fields: Miandoum, Kome, Bolobo, Moundouli, Nya, Maikeri and Timbre. The first discoveries, Miandoum and Kome, were made by Conoco in 1975. ExxonMobil took operatorship in 1982 and subsequent successful exploration and appraisal increased discovered resources to over 3 Bnbbbls of oil initially in place enabling a bespoke export solution with construction of the 1,081 km Chad-Cameroon Pipeline.

Figure 2, Location of the Doba Oil Project fields



Source: Chad/Cameroon CPR

Historical Production

Production started in 2003 from the Miandoum field and the full start-up of project facilities and production from the Kome and Bolobo fields was achieved in 2004. Crude oil from all fields is collected at the Miandoum and Kome gathering stations. Processing and power generation is centralised at the Kome facility from where crude oil is exported through the Chad-Cameroon Pipeline. Peak production of over 200 Kbpod was achieved in 2004, the success of which led to further drilling campaigns and the development of the Nya, Moundouli, Maikeri and Timbre fields, the last of which was brought into commercial production in 2009. Drilling continued until 2015, when ExxonMobil stopped drilling activities and implemented a polymer flooding scheme in the Kome and Miandoum fields to enhance oil recovery and extend the economic life of the fields. In 2020, the average gross production was 33.7 Kbpod from approximately 300 wells.

Figure 3, Doba Oil Project fields information

Field	Area (km ²)	Discovery	Production start-up
Miandoum	101	1975	2003
Kome	186	1975	2004
Bolobo	53	1989	2004
Nya	13	2002	2005
Moundouli	74	2001	2006
Maikeri	15	2005	2007
Timbre	22	2005	2009

Source: modified from the Chad/Cameroon CPR

To date, approximately 16 per cent. of the discovered Reserves and Resources have been recovered from the Doba Oil Project. Further Reserves and Resources could be developed through the application of infill drilling, optimisation of water and polymer injection, alternative well completion and intervention technologies, work-over and recompletions of existing non-producing wells, or further enhanced oil recovery applications.

Reserves and Resources

As further detailed in the Chad/Cameroon CPR, a summary of the gross and net 2P Reserves and 2C Resources and the expected asset free cashflows of the seven fields are set out below. Approximately 85 per cent. of the 2P Reserves are Proved Developed Reserves that are categorised as requiring “No Further Investment” to be produced.

Figure 4, Summary of Gross and Net⁽¹⁾ 2P Reserves and 2C Resources of the Doba Oil Project

	2P Reserves		2C Resources	
	Gross	Net ⁽¹⁾	Gross	Net ⁽¹⁾
Moundouli, Nya	13.6	10.2	23.2	17.4
Maikeri, Timbre	4.9	3.7	4.6	3.5
Miandoum, Bolobo, Kome	119.9	89.9	82.4	61.8
Total (MMstb)	138.4	103.8	110.2	82.7
Exxon Acquisition		55.4		44.1
PETRONAS Acquisition		48.4		38.6

Source: Chad/Cameroon CPR

Notes:

(1) Net to Savannah, assuming Completion of the Exxon Acquisition and the PETRONAS Acquisition.

Expected Asset Level Free Cashflow⁽¹⁾

Figure 5, Summary of Expected Net Free Cashflows from the Doba Oil Project

	Exxon Target	PETRONAS	Aggregate
	Companies	Target Companies	
	US\$m	US\$m	US\$m
2022	78.6	46.4	125.0
2023	58.5	24.1	82.6
2024	9.7	32.3	42.0
2025	61.6	26.6	88.2
2026	20.4	32.3	52.7
2027	66.0	40.5	106.5
2028	28.5	39.2	67.7
2029	30.1	(3.6)	26.5
2030	(1.2)	58.4	57.2

Source: Chad/Cameroon CPR

Notes:

(1) Expected Asset Level Free Cashflow is the pre-debt service net cashflow derived directly from the assets (and excludes any indirect revenues and costs). The marked variations in annual cashflows are in part caused by projected timings of oil liftings.

CGG has conducted a review of the value of the interests to be acquired in the Doba Oil Project, which has been incorporated in the Chad/Cameroon CPR. The base case NPV10 for Savannah’s interest in the Doba Oil Project, based on 2P Reserves, assuming completion of the Exxon Acquisition and the PETRONAS Acquisition, has been assessed at US\$484.8 million with (US\$245.4 million attributable to the Exxon Acquisition and US\$239.4 million attributable to the PETRONAS Acquisition). The base Brent price assumption in the evaluation assumes prices of US\$75/bbl, US\$70/bbl and US\$65/bbl in 2022, 2023 and 2024 respectively. Beyond 2024, the price is escalated at 2 per cent. per year.

3.2 Chad-Cameroon Export Transport System

ETS overview

The Chad-Cameroon ETS is a crude oil export pipeline, which connects Chad to the Atlantic Ocean port of Kribi in Cameroon, and an offshore moored floating storage and offloading facility (“FSO”) and terminal infrastructure. The total length of the pipeline is 1,081 km (178 km in Chad, 903 km in Cameroon including a 12 km offshore section). The nameplate capacity of the ETS is 250 Kbopd and it can transport relatively heavy crude oil. The ETS is the only pipeline connecting landlocked oil-producing assets in Chad to the international market.

Figure 6, The Chad-Cameroon Export Transportation System



Source: Chad/Cameroon CPR

Construction of the Chad-Cameroon pipeline, which is buried below the ground, started in 2000 and was completed in 2003, a year ahead of schedule. The total cost of the pipeline project was US\$2.2 billion and several US and European Export/Import Credit agencies and the World Bank supported the construction and implementation of this major infrastructure project. There are three pumping stations along the length of the pipeline and a pressure reduction station at Kribi. The first pumping station is located at the Kome field, the second and third pumping stations are located in Cameroon.

Figure 7, Chad Pipeline Company and Cameroon Pipeline Company ownership Shareholder

ownership Shareholder	TOTCo	COTCo
ExxonMobil (EPIL)	40.19%	41.06%
PETRONAS (Doba Pipeline)	30.16%	29.77%
Chad National Oil Company (SHT)	21.54%	21.26%
Chad Government	8.12%	2.74%
Cameroon National Oil Company (SNH)	0%	5.17%

Source: Company materials

Historical ETS throughputs

The primary objective of the ETS was to export oil production from the Doba Oil Project, but since 2013 other producers in Chad (including CNPC, OPIC and Glencore) have started transporting crude oil through the pipeline. Third-party throughput reached approximately 100 Kbpod in 2020 with a number of further development projects expected to be brought onstream in the short to medium term.

The Kome Kribi 1 FSO is a converted crude tanker with a nameplate storage capacity of 2.5 MMbbl. The Kome Kribi 1 FSO is able to accommodate tandem-berthed 80,000-320,000 dwt export tankers with typical loading times of 20 to 40 hours. Currently, there are on average four liftings per month from the FSO, with both EPIL and PCCEPI lifting on average four times per year.

The ETS is managed by two joint-venture companies, the Chad Pipeline Company (TOTCo) which manages transportation across the Chad route of the pipeline and the Cameroon Pipeline Company (COTCo) which manages transportation across the Cameroon route of the pipeline. Following Completion of the Exxon

Acquisition, Savannah Chad will be responsible for appointing the general manager of COTCo and TOTCo under the terms of service agreements that EPIL and EEPICI will be parties to.

COTCo and TOTCo both charge shippers a tariff to transport their crude oil which covers the costs of operating and maintaining the infrastructure. Third-party shippers pay an additional tariff element in recognition of the Doba Consortium's historical investment in the pipeline.

The governments of Chad and Cameroon have the right to acquire their respective portions of the Chad-Cameroon Pipeline following renunciation of the transportation authorisations by TOTCo and COTCo. If such rights are exercised, TOTCo and COTCo are not required to decommission the pipeline.

Expected Asset Level Free Cashflow

Figure 8, Summary of Expected Net Free Cashflows from the Chad-Cameroon ETS

	<i>Exxon Target Companies US\$m</i>	<i>PETRONAS Target Companies US\$m</i>	<i>Aggregate US\$m</i>
2022	34.4	25.0	59.4
2023	35.2	25.6	60.8
2024	35.7	25.9	61.6
2025	37.6	27.3	64.9
2026	40.0	29.0	69.0
2027	41.3	30.0	71.3
2028	40.4	29.3	69.7
2029	38.4	27.9	66.3
2030	34.0	24.7	58.7

Source: Chad/Cameroon CPR

CGG has conducted a review of the value of the interests to be acquired in the Chad-Cameroon ETS, which has been incorporated in the Chad/Cameroon CPR. The base case NPV10 for Savannah's interest in the Chad-Cameroon ETS, assuming completion of the Exxon Acquisition and the PETRONAS Acquisition, has been assessed at US\$497.6 million with (US\$288.3 million attributable to the Exxon Acquisition and US\$209.3 million attributable to the PETRONAS Acquisition).

4. Chad and Cameroon Opportunity

4.1 Acquisition of strong cash generative oil producing asset

The Doba Oil Project has gross Proved Reserves (1P) of 100.6 MMstb and gross Proved & Probable (2P) Reserves of 138.4 MMstb, estimated by CGG. This includes 120.4 MMstb of gross 2P Reserves that are categorised as requiring "No Further Investment" to be produced. CGG estimates 2022 gross production of 30.1 Kbpod from the Doba Oil Project, with 12.0 Kbpod attributable to the Exxon Target Companies and 10.5 Kbpod attributable to the PETRONAS Target Companies.

CGG estimates asset free cashflow of US\$352.2 million attributable to the Exxon Target Companies interests in the Doba Oil Project and US\$296.2 million attributable to the PETRONAS Target Companies' interests in the Doba Oil Project over the next nine years.

4.2 Acquisition of a material interest in and operational control over the Chad-Cameroon ETS, with significant spare capacity

The Chad-Cameroon ETS, which includes a 1,081 km pipeline with 250 Kbpod nameplate capacity, is the only international export route for oil production in Chad, which is used by the Doba Consortium and other third-party shippers, including CNPC, Glencore and OPIC. Based on throughput in 2020, there is spare capacity of in excess of 100 Kbpod in this export route and the Board believes there is potential for new adjacent operations to utilise the export pipeline, including a number of undeveloped discoveries in Chad. Third-party consultant, Wood Mackenzie, has forecasted Chad-Cameroon Pipeline volumes, denoted as

the “Upside” case in the Chad-Cameroon CPR, for the 2022 to 2030 period as approximately 30 per cent. higher than Savannah’s base case assumed profile, with most of the upside coming from existing third-party shippers.

CGG estimates asset free cashflow of US\$337.0 million is attributable to the Exxon Target Companies interests in the Chad-Cameroon ETS and US\$244.7 million is attributable to the PETRONAS Target Companies interests in the ETS over the next nine years under Savannah’s base case.

4.3 An asset portfolio with significant upside potential

In addition to the available capacity in the Chad-Cameroon ETS, there is additional undeveloped upside in the Doba Oil Project. No wells have been drilled on the fields by the current operator since 2015 and Savannah intends to make further investments in the fields, including drilling an average of 12 wells per year from 2023. Savannah is also considering various production techniques to improve and enhance oil recovery. The Doba Oil Project has gross Proved Undeveloped Reserves (1P) of 15.7 MMstb and gross Proved & Probable Undeveloped (2P) Reserves of 23.9 MMstb, estimated by CGG.

CGG estimates combined asset free cashflow from the Doba Oil Project and the Chad-Cameroon ETS of US\$113.0 million is attributable in aggregate to the Exxon Target Companies in 2022 and US\$689.2 million over the next nine years. CGG further estimates combined asset free cashflow from the Doba Oil Project and the Chad-Cameroon ETS of US\$71.4 million is attributable to the PETRONAS Target Companies in 2022 and US\$540.9 million over the next nine years. CGG estimates that 49 per cent. of the Exxon Target Companies and 45 per cent. of PETRONAS Target Companies’ cashflow is derived from long-dated, non-oil-price dependent revenue streams.

4.4 Make a material contribution to the economic development of Chad and Cameroon

The oil industry has a significant, wide-ranging impact on Chad’s economy and the Doba Oil Project has been at the forefront of this. In addition to the billions of dollars of revenues, royalties and taxes that have flowed directly to the Chadian government, the Doba Oil Project has contributed to the growth of the economy through local employment, the training and development of thousands of workers, purchases of hundreds of millions of dollars of goods and services from local providers and the transfer of business and technical knowledge. The Board believes that Savannah’s plans for further investment into the Doba Oil Project will make a material contribution to the economic development of Chad. Likewise, continued transportation of oil through the Chad-Cameroon Pipeline will provide long-term employment and training opportunities for local providers.

4.5 Platform for further growth in Chad with synergies with the Existing Group’s businesses

The Board considers that the Exxon Acquisition and the PETRONAS Acquisition will provide a platform to build a material business with further regional consolidation opportunities in Chad with synergies with the Existing Group’s businesses and operations in Nigeria and Niger.

5. Chad and its Oil and Gas Industry

5.1 Reserves and Resources

Chad has a proven petroleum system and ranks as the tenth-largest oil reserve holder among African countries, with 1.5 billion barrels of Proved Reserves as of 2020 and average production of over 140 Kbpod in 2020. Chad’s undeveloped but discovered Resources are estimated by Wood Mackenzie to be 366 MMbbls. These are mainly held by CNPC, OPIC and Glencore in southern Chad. In addition, the EIA and Advanced Resources International Inc. estimate that Chad holds around 40 Bnbbl of oil and 40 Tscf of gas of potential yet-to-find, conventional resource, which suggests that further discoveries should be possible. Of this, the recoverable amounts could be of the order of 10 Bnbbls of oil and over 20 Tscf of gas.

5.2 Production

Chad became an oil producing nation in 2003 when the Doba Oil Project came onstream, exporting oil via the Chad-Cameroon ETS.

In 2011, CNPC developed the Block H fields in southern Chad. Initially production supplied a 20 Kbpod new-build refinery outside the capital, N'Djamena, jointly owned by CNPC (60 per cent.) and SHT (40 per cent.), via a 311 km pipeline. With increasing production, CNPC started exporting surplus oil in 2013 via the Chad-Cameroon ETS and is currently the largest producer in Chad with approximately 100 Kbpod produced in 2020.

In 2013, Glencore brought the Badila and Mangara fields onstream and the Taiwanese Chinese Petroleum Corp (operating as OPIC) started production and exports from the Benoy development in 2020.

5.3 Oil sector contribution to Chad's economy

The oil industry has a significant, wide-ranging impact on Chad's economy. Since the introduction of oil production, the previously agrarian economy's GDP per capita has grown from US\$221 in 2002 to US\$710 in 2019. While the oil sector accounts for 18 per cent. of Chad's GDP, it constitutes a much higher share of Chad's balance of payments (being equivalent to 83 per cent. of foreign direct investment, 79 per cent. of exports and 65 per cent. of services).

In addition to the billions of dollars of revenues, royalties and taxes which have flowed directly to the Chadian government, the oil industry has contributed to the growth of the economy through local employment, training and development of thousands of workers, purchases of hundreds of millions of dollars of goods and services from local providers and the transfer of business and technical knowledge.

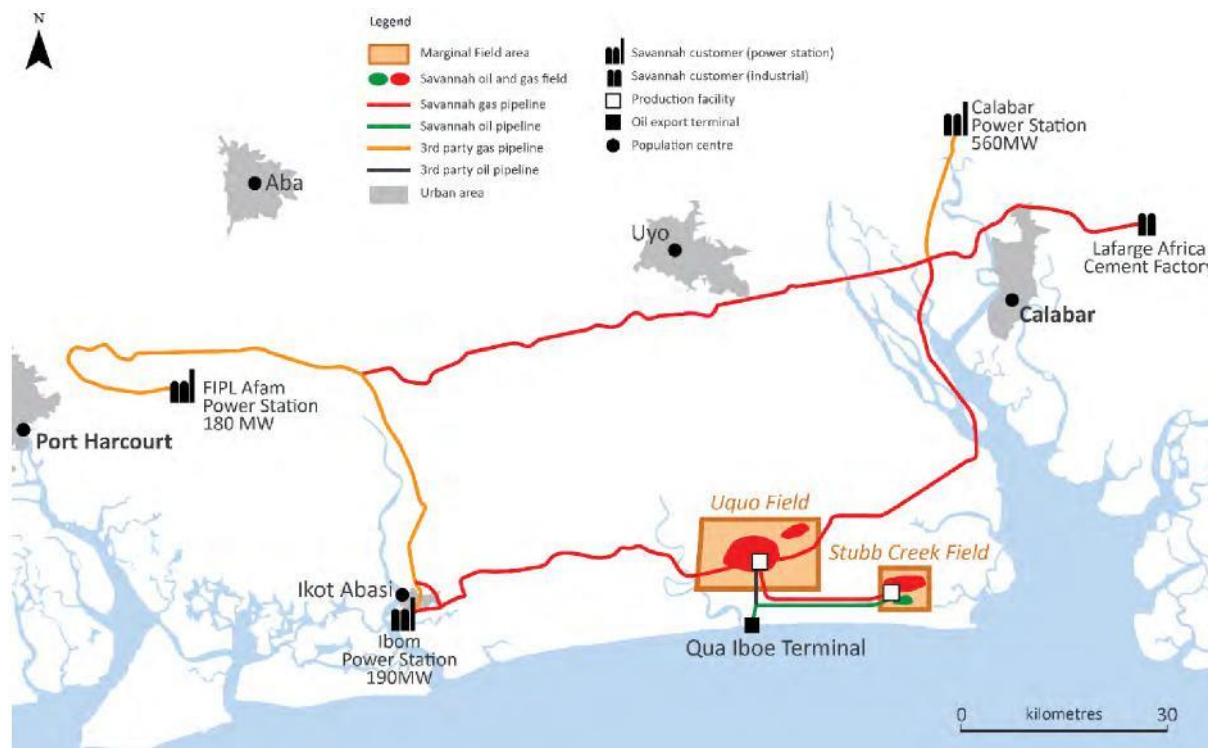
6. Company History and Existing Assets

Savannah is a leading, Africa-focused, British independent energy company quoted on AIM. The Company is the holding company of the Existing Group and currently operates from offices in the UK (London), Nigeria (Abuja, Lagos, Eket and Uyo) and Niger (Niamey).

The Company currently has two high-quality and high-growth business units located in Nigeria and Niger.

6.1 Nigeria

Figure 9, Savannah's Operations in South East Nigeria



Source: Company materials

In Nigeria, the Company has a significant controlling interest in a large-scale integrated gas production and distribution business which is currently supplying gas to facilitate over 10 per cent. of Nigeria's thermal power generation. The Company acquired the Nigerian Assets in November 2019 (refer to the April 2020 Supplemental Admission Document for further information).

The Nigerian Assets comprise interests in two large-scale oil and gas fields, the Uquo non-associated gas field and the Stubb Creek oil and gas field, with net 2P Reserves and net 2C Resources, as estimated by CGG in the 2021 Nigeria CPR, of 79.3 MMboe and 60.0 MMboe respectively and the Accugas Midstream Business, all of which are located in South East Nigeria.

In relation to the Nigerian Assets, Savannah indirectly holds:

- **Uquo Field** – an 80 per cent. economic interest in the exploration, development and production of gas within the Uquo Field. The remaining 20 per cent. economic interest in the Uquo Field is held by AIIIM.
- **Stubb Creek Field** – a 51 per cent. interest in the Stubb Creek Field. The remaining 49 per cent. interest in the field is held by Sinopec International Petroleum Exploration and Production Company Nigeria Limited.
- **Accugas Midstream Business** – an 80 per cent. interest in the Accugas Midstream Business. The remaining 20 per cent. of the Accugas Midstream Business is held indirectly by AIIIM.

Gas produced from the Uquo Field is processed and transported through Accugas Limited's infrastructure, which includes a 200 MMscfpd processing facility and an approximate 260 km gas pipeline network to end user gas customers. The Company's five current gas sales agreements are with the Calabar Electricity Generation Company Ltd, which owns and operates the Calabar power station, Lafarge Africa PLC, which owns the Mfamosing cement plant, Ibom Power, the operator of the Ibom power station, FIPL, the owner of the FIPL Afam power station, and Mulak Energy to supply gas to their proposed Compressed Natural Gas ("CNG") project in Nigeria.

The Stubb Creek Field comprises both a producing oil field and an undeveloped gas field. Oil production is exported via ExxonMobil's Qua Iboe Terminal. It is intended that the gas field will be developed when required in the future to supplement gas production from the Uquo Field.

Figure 10, Summary of Nigeria Gross and Net⁽¹⁾ 2P Reserves and 2C Resources

Oil (MMstb)	2P Reserves		2C Resources	
	Gross	Net	Gross	Net
Uquo	0.6	0.5	–	–
Stubb Creek	13.4	3.1	–	–
	-----	-----	-----	-----
	14.0	3.6	–	–
Gas (Bscf)				
Uquo	567.3	453.9	82.8	66.2
Stubb Creek			515.3	293.7
	567.3	453.9	598.1	359.9
	-----	-----	-----	-----
Total (MMboe)	108.6	79.3	99.7	60.0

Source: Nigeria CPR

Notes:

(1) Net to Savannah

6.2 Niger

The Company's interests in Niger are located in the highly prospective Agadem Rift Basin ("ARB") in South East Niger and cover an area of approximately 13,655 km². The ARB, which is comparable in scale to the North Sea rift system and forms part of the Central African Rift System, has proven to be one of the world's most successful exploration provinces since 2008 with an estimated 1 Bnbbls 2P Reserve base established

and an exploration success rate of over 80 per cent. The Central African Rift System runs through Niger, Chad, Sudan, South Sudan and also Nigeria, with over 6 Bnbbls of oil discovered to date.

The Company's interests, which were acquired during 2014 and 2015, cover approximately 50 per cent. of the ARB, and of the original Agadem PSC area which was compulsorily relinquished by CNPC in July 2013. The Company has proven its ability to operate in Niger, delivering a highly successful exploration drilling programme in 2018 on R3 East with five discoveries from five wells across five fields. The Company also conducted a 36,948 km full tensor gravity survey over the ARB as well as 806 km² 3D seismic over part of the R3 portion of the R3/R4 PSC Area. The Company has a strong operational track record in Niger, with all projects having been delivered with no lost-time incidents and ahead of budgeted time. The initial term of the Exclusive Exploration Authorisation on the R1/R2 PSC, as extended in 2018, expired on 5 August 2019. Furthermore, the term of the Exclusive Exploration Authorisation on the R3/R4 PSC, expired on 31 August 2021. Since the expiration of the Exclusive Exploration Authorisation of both the R1/R2 PSC and R3/R4 PSC the Company held negotiations with the Niger government to renew the PSCs and, on 29 September 2021, the Company reached an agreement in principle with the Ministry of Petroleum to formally renounce the R1/R2 PSC and the R3/R4 PSC and to combine the R1/R2 PSC Area with the R3/R4 PSC Area into one amalgamated R1234 PSC. This resets the Company's PSC licence validity periods to up to

10 years for the exploration phase, comprising an initial term of four years, with the option to extend this term by two further terms of two years each. In addition, one of these three terms can be extended by the Company for a further two years. The amalgamated R1234 PSC was approved by the Council of Ministers in Niger on 16 December 2021 and is now subject to the payment of a signature bonus by the Company. The Company anticipates that the R1234 PSC will become effective in Q1 2022.

The Company's current focus in Niger is the delivery of first production and cashflows from the planned R3 East early production scheme to be located at the Amdigh field and initially commencing in 2022, subject to market conditions and financing. The Board believes that significant further potential exists on its licence area in Niger with an exploration portfolio containing a total of 146 potential exploration targets with a total Unrisked Best Estimate of approximately 6.7 Bnbbls Oil Initially In Place. The Board believes that this has the potential to deliver meaningful cashflows to the Group in the future.

7. Oil Price History and Forecast

The price of oil is affected by numerous factors including global supply and demand, together with expectations regarding future supply and demand for oil and the availability of alternative sources of energy. The price of oil is also affected by the desire of members of OPEC and, more recently, OPEC+ to set and maintain specified levels of production to support the oil price. Oil prices have fluctuated significantly over the last 20 years and this has been accentuated over the last two years as a result of the COVID-19 pandemic.

During the first quarter of 2020, global oil consumption experienced a downturn as a result of the COVID-19 pandemic. By April 2020, the demand for oil was 20 MMbopd less than pre-COVID-19 levels and the imbalance in demand and supply caused Brent prices to reach a low of US\$9.12/bbl. At the end of April 2020, the members of OPEC+ agreed to cut production and non-OPEC nations such as the United States also significantly cut production, resulting in the balancing of supply and demand and the stabilisation of oil inventory levels, with oil prices recovering to approximately US\$50/bbl by the end of 2020. Since then, oil prices continued to rise following an increase in demand due to the rollout of vaccination programmes and the recommencement of global economic activities. The Brent price is currently trading at approximately US\$75/bbl, which is some 50 per cent. higher than its value of one year ago.

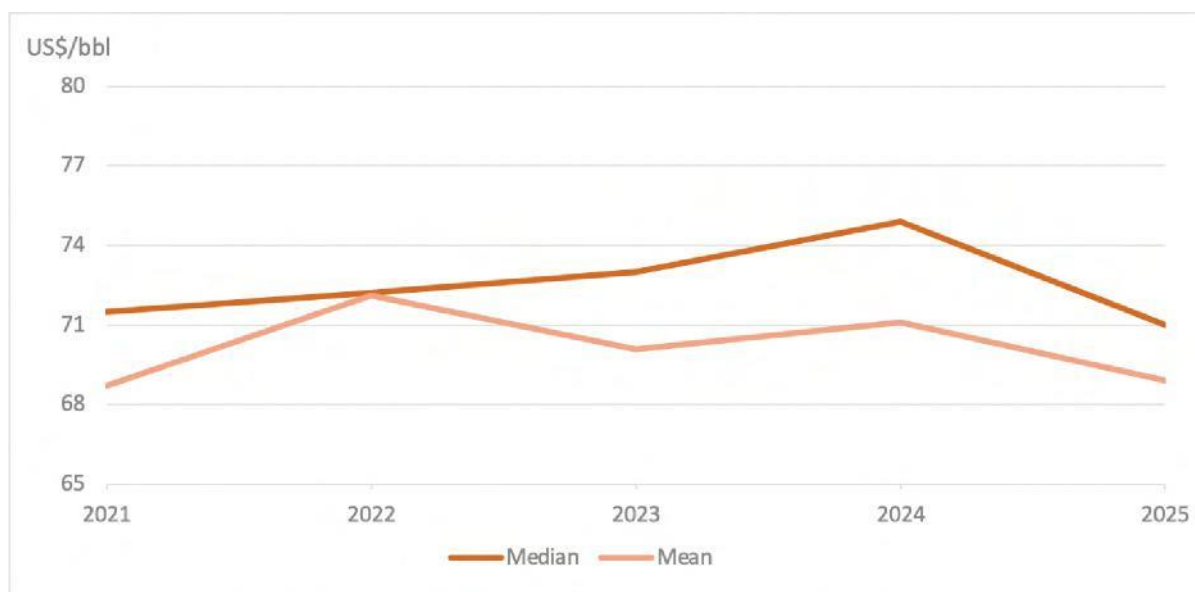
There is no direct link between the cost of sales (excluding depreciation and depletion which are non-cash items and the 2 per cent. statistical tax) for the Doba Oil Project and the oil price, with the costs being largely fixed plus an element of costs related to produced volumes. In circumstances where oil prices fall substantially, the Board expects that costs may be reduced, as industry activity levels decrease leading to services being offered at a lower price.

Figure 11, Historical Brent Crude Price from 2000 to December 2021



Source: EIA

Figure 12, Bloomberg's Consensus Forecast Brent Price



Source: Bloomberg, December 2021

The Exxon Acquisition and the PETRONAS Acquisition will increase the Enlarged Group's exposure to the oil price on an ongoing basis. The economic evaluation of the interests to be acquired in the Doba Oil Project as summarised in this Part 1 is based on an oil price of US\$75/bbl, US\$70/bbl and US\$65/bbl in 2022, 2023 and 2024, respectively. Beyond 2024, the price is escalated at 2 per cent. per year. The Chad/Cameroon CPR illustrates the effect of changing oil price assumptions on the future cashflows and underlying value of the Exxon Target Companies' and the PETRONAS Target Companies' assets.

8. Details of the Placing and Subscription

The Placing will raise approximately US\$65 million for the Company (net of commissions and expenses). The Placing Shares are being placed with certain existing and new institutional and other sophisticated investors.

The Company has placed the Placing Shares at the Placing Price conditional on their admission, which is expected to occur at 8.00 a.m. on 7 January 2022. The Placing Shares will be issued pursuant to the existing pre-emption disapplication authority granted to the Directors by Shareholders at the annual general meeting of the Company held on 30 June 2021. The Placing Shares represent approximately 20.6 per cent. of the Company's Enlarged Share Capital.

The Placing Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made after the date of issue, and will be placed free of any expenses and stamp duty.

In the case of investors receiving Placing Shares in uncertificated form, it is expected that the appropriate CREST accounts will be credited with the Placing Shares with effect from 7 January 2022. In the case of investors receiving Ordinary Shares in certificated form, it is expected that certificates will be dispatched by post, within 14 days of the date of admission.

Under the terms of the Placing Agreement, each purchaser of Placing Shares in the United States will be deemed to have represented and agreed as follows:

- The purchaser (a) is a qualified institutional buyer, or QIB, as defined in Rule 144A under the U.S. Securities Act of 1933, as amended, or a broker-dealer acting for the account of a QIB, (b) is acquiring such securities for its own account or for the account of a QIB, and (c) is aware that the securities are restricted within the meaning of the Securities Act and may not be deposited into any unrestricted depositary facility, unless at the time of such deposit the securities are no longer restricted.
- The purchaser is aware that the securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are being offered in the United States only to QIBs in a transaction not involving any public offering in the United States within the meaning of the Securities Act.
- The purchaser understands and agrees that the Placing Shares may not be offered, sold, pledged or otherwise transferred, except (a) to a person that the seller and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of another QIB or (b) outside the United States in accordance with Regulation S under the U.S. Securities Act of 1933, as amended, or (c) pursuant to an exemption from registration under the Securities Act, or (d) pursuant to an effective registration statement under the Securities Act.

The Subscribers have agreed, pursuant to the Subscription Letters, to subscribe for the Subscription Shares at the Placing Price to raise approximately £2.8 million for the Company (net of commissions and expenses). The Subscription Shares shall rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made after the date of issue and will be placed free of expenses or stamp duty.

The Placing and Subscription are not conditional on either or both of the Exxon Acquisition or the PETRONAS Acquisition completing.

9. Details of the Debt Financing

On [●] December 2021, Savannah Chad and the Senior Lender entered into an agreement pursuant to which the Senior Lender has agreed to provide to Savannah Chad an up to US\$400 million borrowing base facility (US\$300 million initial commitment with a US\$100 million accordion). Savannah Chad intends to utilise the facility to partly fund the Exxon Acquisition and the PETRONAS Acquisition. Further details of the terms of the Debt Financing are set out in paragraph 3.1 in Appendix IV of this announcement.

10. Details of the Junior Loan Facility and Warrant Instrument

On [●] December 2021, the Company entered into the Junior Loan Facility and the Warrant Instrument. Pursuant to the Junior Loan Facility, the Company's Chief Executive Officer, Andrew Knott, has committed to lend to the Company (via his wholly owned company, Lothian Capital Partners 4 Limited ("LCP4L")): (i) US\$17 million to finance the Exxon Acquisition; and (ii) US\$15 million to finance the PETRONAS Acquisition.

Warrants will be granted to Andrew Knott (via LCP4L) as lender under the Junior Loan Facility with a 90 month term and an exercise price of 23.5 pence. The number of Warrants to be issued is [●], calculated as

the total value of the Junior Loan Facility (at the prevailing exchange rate on the date of signature) divided by the Exercise Price.

In structuring Andrew Knott's investment in the Junior Loan Facility, the Company consulted with Shareholders in the Company collectively holding more than 50 per cent. of the Existing Ordinary Shares who, having reviewed the terms of the Junior Loan Facility and Warrant Instrument, have indicated their support. The Company's entry into the Junior Loan Facility and the associated issue of Warrants is classified as a related party transaction pursuant to the AIM Rules – refer to paragraph 29 of this Part 1 for the Related Party Transaction opinion in this regard from the Directors, other than Andrew Knott, following consultation with the Company's Nominated Adviser, Strand Hanson.

Further details of the terms of the Junior Loan Facility and the Warrants are set out in paragraphs 3.2 and 3.3 in Appendix IV of this announcement.

11. Use of Proceeds

The Company is raising gross proceeds of approximately US\$[•] million from the Placing and Subscription, which are currently intended to be used as listed in the table below:

<i>Use of Proceeds</i>	<i>US\$m</i>
Debt repayment	[•]
Corporate infrastructure investment	[•]
Exxon Acquisition and the PETRONAS Acquisition considerations and costs	[•]
General corporate purposes, including the Niger R3 East development, costs associated with the Placing, Subscription and Re-Admission to the date of this document	[•]

The remainder of the Exxon Acquisition and the PETRONAS Acquisition considerations payable will be funded by the Junior Loan Facility and the Debt Financing.

It is noted that the Placing and Subscription is not conditional on either or both the Exxon Acquisition or the PETRONAS Acquisition completing. In the event that neither acquisition completes, the Company anticipates deploying the remaining net proceeds towards its existing asset base.

12. Summary Financial Information of the Exxon Target Companies and the PETRONAS Target Companies

The summary financial information presented below has been extracted without material adjustment from the historical financial information of the Exxon Target Companies and the PETRONAS Target Companies.

A review of the recent trading performance of the Exxon Target Companies and the PETRONAS Target Companies is set out in paragraph 15 of this Part 1.

12.1 Exxon Target Companies

The summary financial information presented below is an extract of the historical financial information of Exxon Target Companies. The summary financial information for the year ended 31 December 2020 has been derived from Exxon Target Companies' Financial Information. The summary financial information for the six months ended 30 June 2021 has been derived from the Exxon Target Companies' Interim Financial Information.

Figure 13, Summary Financial Information of the Exxon Target Companies

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SELECTED LINE ITEMS

	<i>Year ended 31 December 2020 US\$'000</i>	<i>Six months ended 30 June 2021 US\$'000</i>
Revenue	133,468	122,110
Operating (loss)/profit	(585,006)	209,501
(Loss)/profit before tax	(601,396)	201,513
(Loss)/profit after tax	(241,304)	77,977

CONSOLIDATED STATEMENT OF FINANCIAL POSITION SELECTED LINE ITEMS

Total assets	1,081,745	1,119,231
Total liabilities	733,277	692,786
Net assets	348,468	426,445

CONSOLIDATED CASH FLOW STATEMENT SELECTED LINE ITEMS

Cash used in operating activities	(45,400)	(42,024)
Cash provided by investing activities	9,305	29,128
Cash provided by financing activities	36,080	12,889
Net cash outflow	(15)	(7)

12.2 PETRONAS Target Companies

The summary financial information presented below is an extract of the historical financial information of PETRONAS Target Companies. The summary financial information for the year ended 31 December 2020 has been derived from the PETRONAS Target Companies' Financial Information. The summary financial information for the six months ended 30 June 2021 has been derived from the PETRONAS Target Companies' Interim Financial Information.

Figure 14, Summary Financial Information of the PETRONAS Target Companies

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SELECTED LINE ITEMS

	<i>Year ended 31 December 2020 US\$'000</i>	<i>Six months ended 30 June 2021 US\$'000</i>
Revenue	170,656	132,002
Operating (loss)/profit	(531,280)	54,197
(Loss)/profit before tax	(529,470)	56,873
(Loss)/profit after tax	(277,858)	54,295

CONSOLIDATED STATEMENT OF FINANCIAL POSITION SELECTED LINE ITEMS

Total assets	429,178	457,154
Total liabilities	204,236	217,917
Net assets	224,942	239,237

CONSOLIDATED CASH FLOW STATEMENT SELECTED LINE ITEMS

Cash generated from operating activities	1,106	36,995
Cash provided by investing activities	2,521	22,328
Cash used in financing activities	(25,000)	(40,000)
Net cash (outflow)/inflow	(21,373)	19,323

13. Summary Financial Information of the Existing Group

The summary financial information presented below is an extract without material adjustment from the audited consolidated financial statements for the Existing Group for the year ended 31 December 2020 and the unaudited interim financial information for the six months ended 30 June 2021.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SELECTED LINE ITEMS

	<i>Year ended 31 December 2020 US\$'000</i>	<i>Six months ended 30 June 2021 US\$'000</i>
Revenue	169,005	99,386
Operating profit	93,310	53,993
Profit before tax	10,908	7,688
Loss after tax	(5,974)	(1,377)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION SELECTED LINE ITEMS

Total assets	1,207,209	1,238,230
Total liabilities	980,272	1,011,123
Net assets	226,937	227,107

CONSOLIDATED CASH FLOW STATEMENT SELECTED LINE ITEMS

Cash generated from operating activities	115,569	65,183
Cash used in investing activities	(11,325)	(4,849)
Cash used in financing activities	(76,719)	(53,682)
Net cash inflow	27,525	6,652

14. Anticipated Corporate Structure

Following Completion of both the Exxon Acquisition and the PETRONAS Acquisition, the anticipated structure of the Enlarged Group is shown in Figure 15.

15. Current trading of the Enlarged Group

15.1 Existing Group

Average gross daily Nigeria production in the year-to-date period ended 31 October 2021 was 21.9 Kboepd, a 16 per cent. increase from the average gross daily production of 19.0 Kboepd in the same period in 2020. Of the total average gross daily production of 21.9 Kboepd in the year-to-date period, 88 per cent. was gas, including a 16 per cent. increase in production from the Uquo gas field compared to the same period last year, from 99.5 MMscf/d (16.6 Kboepd) to 115.6 MMscf/d (19.3 Kboepd).

The Nigerian Assets year-to-date cash collections for the period ended 13 December 2021 amount to US\$201.3 million. This is 7 per cent. higher than FY20 cash collections of US\$187.4 million and 20 per cent. higher than FY20 cash collections when an adjustment is made for the non-recurring US\$20 million contract re-negotiation payment received from Lafarge Africa in FY20.

The Uquo-11 gas producer well has been drilled and was completed in the D1.0 and D1.3/D1.4 reservoirs on 16 November 2021. The well total net pay thickness was 71ft above prognosis, with a total thickness of 355ft for the main reservoirs' targets (C9.0, D1.0 and D1.3/D1.4 reservoirs).

The Existing Group also started ordering compression equipment for the Accugas gas processing plant during the first half of 2021. Factory Acceptance Tests for the two compressor packages have been successfully carried out, the Front-End Engineering Design is in progress and Long Lead Items are expected to be ordered before the year end. Both the drilling and compression projects will ensure Savannah's continued ability to deliver gas at current and anticipated future increased contracted volumes to satisfy customer demand.

The Existing Group is progressing towards refinancing its US\$371 million Accugas Term Debt Facility, which currently has a maturity date of 31 December 2025, into a multi-tranche, Naira denominated borrowing structure. It is currently anticipated that the refinancing will complete during the first half of 2022, although there can be no guarantee this will occur. The intended structure is summarised as follows:

- **Tranche 1:** (approximately 25 per cent. of total) Bilateral loan up to a 15-year tenor and indicatively priced around 10-year Nigeria government bond rate plus 3.5 per cent.
- **Tranche 2:** (approximately 50 per cent. of total) Nigerian listed bond, up to 12-year tenor.
- **Tranche 3:** (approximately 25 per cent. of total) Bank loan, up to 5-year tenor.

Once completed, this refinancing would align the currencies of the Existing Group's principal revenue streams with its debt service obligations and would significantly reduce the Existing Group's foreign exchange exposure. It would also bring further benefits through the significant increase in tenor and intended removal of the cash sweep structure. The Existing Group currently holds certain Naira denominated cash balances and approximately US\$109.0 million will be paid for debt service from these accounts.

15.2 Recent performance of the Exxon Target Companies and the PETRONAS Target Companies

The tables below have been extracted from the Exxon Target Companies' Financial Information, the Exxon Target Companies' Interim Financial Information, the PETRONAS Target Companies' Financial Information and the PETRONAS Target Companies' Interim Financial Information and expands on the summary financial information referred to in paragraph 12 above.

The tables below show the underlying EBITDA performance (and EBITDA adjusted for impairment where relevant), for both the Exxon Target Companies and PETRONAS Target Companies for the year ended 31 December 2020 and for the six months ended 30 June 2021. The relative increase is principally due to the improvement in the oil price which is discussed in paragraph 7 of this Part 1 (Oil Price History and Forecast Overview).

Exxon Target Companies

	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2020</i> <i>US\$'000</i>	<i>Unaudited</i> <i>Six months</i> <i>ended</i> <i>30 June</i> <i>2021</i> <i>US\$'000</i>
(Loss)/profit before tax	(601,396)	201,513
Add back:		
Depletion and depreciation	114,171	135,454
Finance income	(511)	(165)
Finance costs	20,900	11,783
EBITDA	(466,836)	348,585
Add back:		
Impairment/(impairment reversal)	471,693	(267,109)
	4,857	81,476

PETRONAS Target Companies

	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2020</i> <i>US\$'000</i>	<i>Unaudited</i> <i>Six months</i> <i>ended</i> <i>30 June</i> <i>2021</i> <i>US\$'000</i>
(Loss)/profit before tax	(529,470)	56,873
Add back:		
Depletion and depreciation	44,375	15,648
Finance income	–	(26)
Finance costs	1,702	–
EBITDA	(483,393)	72,495
Add back:		
Impairment	547,007	3,638
	63,614	76,133

In the six months ended 30 June 2021, the Exxon Target Companies lifted 1.911 MMbbls of crude oil at an average price of US\$63.84/bbl, compared to 3.771 MMbbls in the year ended 31 December 2020 at an average price of US\$35.27/bbl. The PETRONAS Target Companies lifted 1.959 MMbbls of crude oil in the six months ended 30 June 2021 at an average price of US\$67.38/bbl, compared to 3.826 MMbbls in the year ended 31 December 2020 at an average price of US\$44.69/bbl.

With respect to current production, average daily gross production for the year-to-date period ended 30 September 2021 from the Doba Oil Project amounted to 28.8 Kbopd compared to 34.1 Kbopd during the same period in 2020. The reduction in production in 2021 has primarily been due to a workforce strike and unscheduled downtime at the Miandoum Gathering Station requiring additional maintenance work. However, the increase in oil price in 2021 compared to 2020 has offset the financial impact of the lower production volumes.

16. Future prospects of the Company

Savannah is focused on the delivery of projects that matter in Africa. The Enlarged Group will have a valuable and stable asset base that provides a strong platform for future and sustainable growth and the Directors believe that energy companies can create substantial value by acquiring or discovering oil and gas reserves and resources at a significant discount to the net present value per share of the cashflows that they are capable of subsequently realising from those reserves and resources.

The Company continues to actively review new acquisition opportunities in its core African region focused predominantly on:

- cash-generative, or near-term cash-generative, upstream and midstream assets; and/or
- “Bolt-on” assets for which there is significant synergistic value to its existing operations.

In the case of the former, typically larger opportunities, the Company’s focus is on those that:

- are being offered by vendors who are divesting assets for strategic reasons; and
- significantly enhance the Company’s ability to commence and accelerate shareholder distributions, by way of dividend and share buy-backs.

The Company also keeps under review the best avenue for developing its Nigerian Assets and Nigerian Assets, which may, in due course, result in the Company seeking independent finance for each business.

Savannah’s business model is underpinned by the Company’s entrepreneurial and proactive culture. Savannah focuses on generating long-term value over short-term results and aims to move quickly to take advantage of opportunities that arise and to react promptly to changes in the business environment.

17. Directors and Senior Managers

17.1 Directors

Stephen (“Steve”) Ian Jenkins, aged 63 – *Independent Non-Executive Chair*

Steve joined Savannah as Non-Executive Chairman in July 2014. In the Board’s view, he is widely recognised as one of the most capable oil and gas executives in the UK, having delivered for his investors as CEO of Nautical Petroleum plc a £414 million sale to Cairn Energy plc in Q3 2012. Prior to Nautical Petroleum, Steve held a variety of senior roles at Nimir Petroleum Co. Ltd, an emerging-markets focused private Saudi Arabian company with extensive global exploration and production interests. Steve is a geologist by profession and is currently Chair of the Oil and Gas Independents’ Association, one of the principal oil and gas trade bodies in the UK.

Rt. Hon. Sir Stephen Rothwell O’Brien, aged 64 – *Independent Non-Executive Vice Chair*

Sir Stephen is a former UN Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator. Prior to this role he was a British MP, during which time he served as Parliamentary Under-Secretary of State for International Development and as the Prime Minister’s Envoy & UK Special Representative for the Sahel as well as a series of shadow ministerial roles. Before entering politics, Sir Stephen was International Director and Group Secretary of the FTSE 100 listed global building materials company, Redland plc. Sir Stephen began his career as a corporate lawyer with Freshfields Bruckhaus Deringer LLP. He currently is Chair of Motability Operations Group plc and the Innovative Vector Control Consortium, a Non-Executive Board Member of the UK’s Department for International Trade and advises a number of international companies, non-profits and academic institutions. Sir Stephen is a serving member of the Privy Council and was knighted in 2017 for his achievements and commitments to international development, global health advocacy and malaria control.

Andrew Allister Knott, aged 41 – *Chief Executive Officer*

Andrew is the principal founder of Savannah, becoming a Director of the Company in July 2014. Andrew has led all of the Company’s key growth initiatives, including the country entries to Niger, Nigeria, Chad and Cameroon. Prior to establishing Savannah, Andrew was Head of Global Energy Investments for GLG Partners/MAN Group which, in December 2012, was the largest listed hedge fund in the world by assets. Andrew previously held various roles at Merrill Lynch and Dresdner Kleinwort Wasserstein.

David Clarkson, aged 69 – *Independent Non-Executive Director*

David was formerly a member of BP’s Group Leadership Team and Senior Vice President for Projects and Engineering (Upstream). He built his career creating value by delivering complex major infrastructure projects in frontier areas and gained a deep knowledge of the oil and gas industry and the need for engaging with local communities, government authorities and NGOs to build mutual trust and respect. Over the course of his BP career, David held a variety of other senior project management and delivery roles in countries including Iraq, Indonesia, Colombia, the USA, and the UK. He joined the Savannah Board in December 2017 as Non-Executive Director. Between June 2018 and December 2019, David acted as the Company’s

Chief Operating Officer and during that time led Savannah's operations as the Company carried out its five well Niger drilling campaign as well as the integration of the Nigerian Assets. In December 2019 he resumed his Non-Executive Director role. In September 2020 he joined Storegga Geotechnologies Limited, an independent focused on the development and deployment of carbon reduction and carbon removal technologies, as Chief Operating Officer. He was appointed to the Storegga board in July 2021. David is a Chartered Engineer and Fellow of the Institute of Mechanical Engineers.

Marco ("Mark") Iannotti, aged 53 – *Independent Non-Executive Director*

Mark was appointed to the Board of Savannah in July 2014. He is an experienced capital markets professional with over 20 years' experience in EMEA equities, which has been largely focused on the oil and gas sector. Mark has held senior management positions at Canaccord Genuity Group Inc where he was Managing Director and Head of Securities, UK & Europe and Bank of America Merrill Lynch where he was a member of its EMEA Executive Committee and Head of its EMEA Equity Research Division. Mark began his career at Wood Mackenzie Consultants, focusing on the Asian and Indian sub-Continent energy markets. He subsequently held senior equity research positions at Cazenove & Co, Credit Suisse and Citigroup. Mark is currently Non-Executive Chair of Djado Gold plc.

David Lawrence Jamison, aged 77 – *Independent Non-Executive Director*

David was appointed to the Board of Savannah in July 2014. He was one of the founders of the modern-day Vitol, having executed a management buyout of the company alongside three partners in 1976. He left Vitol in 1986 to operate as an independent venture capitalist in the upstream oil and gas industry. David's principal investment vehicle today is DLJ Partners Ltd which seeks to act as agent and advisor on upstream oil and gas transactions. Previous companies at which David has held integral roles include Russian focused oil and gas company Sibir Energy plc (founder director) and independent gasoline company Blue Ocean Associates Limited (founder director).

17.2 Senior Managers

In addition to the Directors, the following Senior Managers will ensure that the Enlarged Group has appropriate expertise and experience for the management of its business.

Nicholas ("Nick") Beattie, aged 48 – *Interim Chief Financial Officer*

Nick is the Company Secretary and Interim CFO. Nick joined Savannah in 2019 from another AIM quoted E&P company and has an extensive background in financing oil and gas companies including seven years with BNP Paribas where he was a Managing Director in the Upstream Oil and Gas team in London and responsible for leading the bank relationships with UK focused independent E&P companies. Nick is a Fellow of the Chartered Banker Institute and a Member of the Chartered Institute for Securities and Investment.

Antoine Richard, aged 54 – *Chief Operating Officer*

Antoine joined Savannah in 2016. Antoine has over 25 years' experience working for both major and independent oil and gas companies worldwide, having worked for Total Energies SE and Perenco SAs, with over 10 years' experience in West Africa. He has a strong operational background, with a focus on production optimisation, onshore and offshore facilities design and operation and management of drilling campaigns and seismic acquisition programs. His previous positions within Perenco included Global HSE Manager and General Manager roles for Congo, Egypt and Venezuela. Antoine acted as Savannah's VP Operations from 2016 until 2018, over which time he delivered the Company's 806 km² R3 East 3D seismic acquisition campaign with no lost-time incidents and within budgeted time and also left Savannah well-placed to deliver its successful five well R3 East exploration campaign which achieved a 100 per cent. success rate. As Chief Operating Officer, Antoine has responsibility for group-wide operations.

17.3 Appointment of permanent CFO

The Board intends, within H1 2022 and, in any event, ahead of the anticipated Completion of the Exxon Acquisition and the PETRONAS Acquisition, to appoint a permanent CFO, which will also be a board level position. Further updates will be made as and when appropriate.

17.4 Appointment of new Directors

Pursuant to a process initiated in H1 2021, the Company intends to appoint up to four new Non-Executive Directors to its Board in H1 2022.

18. Environmental, Social and Governance

Savannah is committed to managing its operations in a safe, secure, reliable and environmentally sustainable manner, and to act in a responsible manner towards its stakeholders. Savannah considers that a high standard of health and safety performance and environmental protection is critical to the ongoing success of the Company and the Enlarged Group. The Company has Environmental, Social and Governance (“ESG”) policies in place and reports its performance to the Board through the Health, Safety, Security and Environmental (“HSSE”) Committee and to its stakeholders through its Annual Report and other corporate updates. The Company expects its employees, contractors and partners to comply with these policies and to enforce similarly high standards.

The Company also has a robust HSSE management system in place which aligns with international management system standards and local legislation, takes a proactive approach to the identification and management of HSSE risks and is underpinned by on-site leadership and through a leading indicator monitoring approach to building safe working practices.

In 2020, Savannah undertook a thorough review of its sustainability strategy, taking into account the feedback of an extensive consultation exercise conducted with the Company’s key external and internal stakeholder groups. Following this exercise, the Company refocused its sustainability strategy around four strategic pillars which are aligned with the United Nations Sustainable Development Goals (“UN SDGs”) that the Company believes it can have the biggest economic, environmental, social and governance impact to achieve a better and more sustainable future for all. While anchoring the sustainability strategy around the 13 most relevant UN SDGs to Savannah, the Company has integrated six additional sustainability reporting standards into its new performance and reporting framework. These were selected on the basis of those most relevant for the sector and of most importance to stakeholders and include the Global Reporting Index, International Petroleum Industry Environmental Conservation Association, the International Association of Oil & Gas Producers, Sustainability Accounting Standards Board, Task Force on Climate Related Disclosures and the International Finance Corporation key performance standards.

During 2021, the Company has been rolling out the new sustainability performance and reporting framework across the Group and plans to provide measurable, verifiable and trackable performance metrics for this going forward. This will allow the Company to set meaningful sustainability performance targets for the Group and track its progress against these, which will form the basis of the Company’s sustainability reporting from 2022 onwards. As an initial step on this path, the Company reported performance against key sustainability metrics in the 2020 Annual Report for carbon intensity (12.8kg CO₂e/boe versus industry average 17.0kg CO₂/boe), senior management gender diversity (35 per cent. female) and local employee ratios (99 per cent.), all of which were industry leading.

19. Summary of competition

Savannah’s operations are currently focused on West Africa, specifically, Niger and Nigeria, and should the Exxon Acquisition or the PETRONAS Acquisition complete, also Chad and Cameroon.

On Completion of both the Exxon Acquisition and the PETRONAS Acquisition, the Enlarged Group will have a 75 per cent. operated interest in the Doba Oil Project and 70.34 per cent. and 70.83 per cent. interests respectively in TOTCo and COTCo, which collectively own the Chad-Cameroon ETS. The Chad-Cameroon ETS, which is currently operated by the Exxon Target Companies under the TOTCo and COTCo Conventions, is the sole oil export infrastructure, spanning nearly 1,100 km, for all oil production from Chad. The Chad-Cameroon ETS has a nameplate capacity of 250 Kopa and production from the Doba Oil Project has priority over third party shippers using this export system. Based on 2020 throughput, there is in excess of 100 Kopa spare capacity in the Chad-Cameroon ETS.

Historically, the oil and gas industry has been highly competitive, particularly for acquiring assets and for securing trained and experienced personnel and services. However, the Board believes that the level of competition in the industry and in West Africa generally has reduced significantly and that this creates an opportunity for Savannah to acquire additional oil and gas assets over time, at attractive valuations. The seven super-major oil companies have all announced significant divestment programmes, including a number of assets and portfolios on the African continent, as they refocus their strategies through the energy transition to accelerate investments in renewable fuels and reduce their focus on fossil fuels. The Board believes that there is a relatively small group of independent energy companies with the necessary expertise

and access to the capital required to acquire and operate these assets and to exploit these opportunities. Furthermore, the Board believes that the barriers to entry into the sector in Africa are high and, therefore, that Savannah has a competitive advantage over new entrants into the market.

20. Corporate governance

The Board recognises its responsibility for the proper management of the Company and the importance of sound corporate governance, proportionate to the size and nature of the Company and the interests of its shareholders. As an AIM-quoted Company, the Board is committed to maintaining high standards of corporate governance and has adopted the QCA Code as the basis of the Group's governance framework.

21. The Takeover Code

The Company is a public limited company incorporated in England and Wales and is admitted to trading on AIM. Accordingly, the Takeover Code applies to the Company.

Under the Takeover Code a concert party arises when persons acting together pursuant to an agreement or understanding (whether formal or informal) cooperate to obtain or consolidate control of, or frustrate the successful outcome of an offer for, a company subject to the Takeover Code. Control means an interest or interests in shares carrying an aggregate of 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give *de facto* control.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with that person are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required to make a general offer to all the shareholders of that company to acquire their shares. Similarly, when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry not less than 30 per cent. of the voting rights of a company and does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, a general offer will normally be required in accordance with Rule 9.

An offer under Rule 9 must be made in cash (or be accompanied by a cash alternative) and at not less than the highest price paid by the person required to make the offer, or any person acting in concert with that person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

The Panel has previously deemed that a concert party is in existence between Andrew Knott and his family members, Aralia Capital SA (which also includes the holding of Peleng Holding Corporation, wholly owned by the same investor as Aralia Capital SA) and Luzon Investments S.A. (the "Existing Concert Party"). The Existing Concert Party is currently interested, so far as the Company is aware, in aggregate, in 48,836,749 Ordinary Shares, representing 4.90 per cent. of the Existing Share Capital.

Further details on the members of the Existing Concert Party are disclosed in the Company's circular to shareholders dated 11 March 2015.

22. Shareholder returns policy

The Directors view Savannah as a high cashflow growth company and expect to re-invest the majority of internally generated post-debt service cashflows in organic and in-organic growth projects consistent with our corporate strategy. However, the Directors also recognise the importance of paying a regular and growing dividend to Shareholders. Over the course of the next 12 months, the Company expects to formalise and announce a dividend policy centred around its underlying free cashflow generation, with the anticipation being that a minimum dividend of US\$10 million would be paid in H1 2023 in respect of the financial year ending 31 December 2022.

23. UK Taxation

Prospective investors are strongly advised to consult their own independent professional tax advisers regarding the tax consequences of purchasing and owning Ordinary Shares.

24. Share Options

The Company considers it essential that its Directors, Senior Managers and employees are appropriately incentivised to create future value for the Shareholders. This is also relevant in the context of the Enlarged Group, whereby it will be important that key employees of the Exxon Target Companies and the PETRONAS Target Companies who become part of the Enlarged Group are appropriately incentivised.

24.1 Proposed amendments to existing awards

The Company disclosed in the December 2017 Admission Document, and reiterated in the April 2020 Supplemental Admission Document, an intention to amend the vesting and hurdle conditions of the 2014 Long-Term Incentive Plan and the 2015 Supplemental Plan (together the "Original Plans", such that the exercise price for the options awarded under such Plans would be harmonised across both schemes at 38 pence per share, conditional upon the Company's Ordinary Shares meeting a hurdle vesting price condition of 42 pence per share (the "Proposed Amendments").

The Company did not subsequently implement the Proposed Amendments, and the Board has resolved that it would be preferential to replace the Original Plans for current employees and Directors with one new incentive plan (being the Employee 2014/15 Replacement Plan). The Employee 2014/15 Replacement Plan is designed to provide its participants with broadly similar economic exposure to that to which they would have been entitled to had the Proposed Amendments to their awards under the Original Plan been implemented. The new options proposed to be granted under the Employee 2014/15 Replacement Plan will have a hurdle vesting price condition of 42 pence per share and an exercise price of 38 pence per share.

The approval of Shareholders to the issue of the new Ordinary Shares, which will be issued in the event of the exercise of the options proposed to be granted under the Employee 2014/15 Replacement Plan, will be sought pursuant to Resolutions 6 and 11 to be proposed at the General Meeting. It is intended that all such options will be granted following the passing of Resolutions 6 and 11 at the General Meeting.

24.2 Proposed grant of new awards

Given the expected growth in activity and headcount in the Company, on [*] December 2021, the Company adopted the Employee Plan 2021. This plan is being put in place principally to enable the Company to continue to attract and retain high quality personnel. Awards of options under the Employee Plan 2021 will be granted over Ordinary Shares held by the EBT. It is proposed that the EBT subscribes for a further 58,066,951 new Ordinary Shares at nominal value following the passing of Resolutions 4 and 8 at the General Meeting.

24.3 Proposed adoption of an Employee Share Incentive Plan

The Company intends in due course to adopt an Employee Share Incentive Plan (the "SIP") for the benefit of employees of the Enlarged Group. Further details of the SIP will be made available to Shareholders in due course.

25. General Meeting

The General Meeting will be held at the offices of the Company, being 40 Bank Street, London E14 5NR, at 10.30 a.m. on [*] January 2022 at which the following Resolutions will be proposed:

- Resolution 1: an ordinary resolution to approve the Exxon Acquisition for the purposes of Rule 14 of the AIM Rules for Companies;
- Resolution 2: an ordinary resolution to approve the PETRONAS Acquisition for the purposes of Rule 14 of the AIM Rules for Companies;
- Resolution 3: an ordinary resolution to authorise the Directors to allot further Ordinary Shares representing up to 33 per cent. of the Enlarged Share Capital;
- Resolution 4: an ordinary resolution to authorise the Directors to allot the EBT Shares;
- Resolution 5: an ordinary resolution to authorise the Directors to allot the Warrant Shares;
- Resolution 6: an ordinary resolution to authorise the Directors to allot up to 23,853,457 new Ordinary Shares to satisfy awards to be granted under the Employee 2014/15 Replacement Plan;
- Resolution 7: a special resolution to disapply statutory pre-emption rights in relation to the allotment of further Ordinary Shares representing up to 33 per cent. of the Enlarged Share Capital;
- Resolution 8: a special resolution to disapply statutory pre-emption rights in relation to the allotment of the EBT Shares;
- Resolution 9: a special resolution to disapply statutory pre-emption rights in relation to the allotment of the Warrant Shares; and
- Resolution 10: a special resolution to disapply statutory pre-emption rights in relation to the allotment of up to 23,853,457 new Ordinary Shares to satisfy awards to be granted under the Employee 2014/15 Replacement Plan.

If Resolution 1 is not passed, the Exxon Acquisition will not proceed. If Resolution 2 is not passed, the PETRONAS Acquisition will not proceed. If Resolutions 5 and 9 are not passed, one or both of the Exxon Acquisition and the PETRONAS Acquisition may not proceed.

To be passed:

- Resolution 1 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 2 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 3 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 4 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 5 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 6 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 7 requires a majority of not less than 75 per cent. of Shareholders voting in person or by proxy to vote in favour;
- Resolution 8 requires a majority of not less than 75 per cent. of Shareholders voting in person or by proxy to vote in favour;
- Resolution 9 requires a majority of not less than 75 per cent. of Shareholders voting in person or by proxy to vote in favour; and
- Resolution 10 requires a majority of not less than 75 per cent. of Shareholders voting in person or by proxy to vote in favour.

The Company is planning to hold the General Meeting in person but, given the continued impacts of COVID-19, recommends that Shareholders do not attend the General Meeting in person and instead appoint the Chair of the General Meeting to act as their proxy.

The Company has been and will continue to closely monitor the continued impacts of COVID-19 and the related restrictions on public gatherings and the public health guidance issued by the UK Government. The Company is optimistic Shareholders will be able to attend in person, but given the continued uncertainty, there is a possibility that the Government may make changes to their current guidance which could impact this.

A decision that Shareholders are unable to attend the General Meeting in person, and any other necessary changes, will only be made if the Directors believe this is the most reasonable course of action when considering the current UK Government Guidance at the time of the General Meeting.

Any changes to the General Meeting arrangements will be communicated to Shareholders before the meeting through our website www.savannah-energy.com and, where appropriate, by RIS announcement.

Shareholders who plan to attend the meeting in person are asked not to attend the General Meeting if they are displaying any symptoms of COVID-19 or have recently been in contact with anyone who has tested positive. In order to further reduce the risk of the spread of the virus, the Company is encouraging shareholders who plan to attend the meeting in person to take a lateral flow test beforehand, on the day of the meeting. The General Meeting will also be more streamlined than previous meetings and we will not be serving refreshments. Shareholders are advised to arrive at the venue in plenty of time in order to complete registration formalities and comply with the venue's health and safety procedures.

26. Restoration, Admission of the Placing Shares and Subscription Shares, settlement and CREST

It is expected that Restoration will become effective and dealings in the Existing Share Capital will commence at 8.00 a.m. on [●] December 2021.

Application has been made for the admission of the Placing Shares and Subscription Shares to trading on AIM, which is expected to become effective and dealings in the Enlarged Share Capital will commence at 8.00 a.m. on [●] December 2021.

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations.

The Ordinary Shares are eligible for CREST settlement. Accordingly, following Restoration, settlement of transactions in the Ordinary Shares may continue to take place within the CREST system if a Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

For more information concerning CREST, Shareholders should contact their stockbroker.

27. Risk factors and Additional Information

You are recommended to read all the information contained in this document and not just rely on the key or summarised information. In particular Shareholders should read in full the Risk Factors set out in Part 3 of this document.

The technical information contained in this document has been reviewed and approved by CGG. CGG has consented to the inclusion of the technical information extracted from the Competent Person's Reports in this document in the form and context in which it appears.

28. Action to be taken

In order to be valid, a proxy appointment must be made and returned by one of the following methods:

- (a) by completion of the Form of Proxy, in hard copy form by post, or by courier to the registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY ("the Registrar");
- (b) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or
- (c) by appointing your proxy electronically via the Registrar's website at www.investorcentre.co.uk/eproxy. You will need your Control Number, SRN & PIN which can be found on your Form of Proxy,

and in each case, the appointment must be received not less than 48 hours before the time for holding of the General Meeting. In calculating such 48-hour period, no account shall be taken of any part of a day that is not a working day. A Shareholder that appoints a person to act on its behalf under any power of attorney or other authority and wishes to use method (a), (b) or (c) must return such power of attorney or other authority to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY prior to using such method and in any event not less than 48 hours before the time of the General Meeting. If you hold your Ordinary Shares in uncertificated form (that is, in CREST) you may appoint a proxy by completing and transmitting a CREST message (a "CREST Proxy Instruction") in accordance with the procedures set out in the CREST manual so that it is received by the Registrar by no later than 10.30 a.m. on [●] January 2022, being 48 hours (excluding weekends and public holidays) before the time appointed for the holding of the General Meeting.

The completion and return of the Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish to do so. Accordingly, whether or not Shareholders intend to attend the General Meeting they are urged to complete and return the Form of Proxy as soon as possible.

29. Related party transactions under the AIM Rules

The participation in the Subscription by certain of the Directors, the Company's entry into the Junior Loan Facility and the associated issue of Warrants to Andrew Knott (through a vehicle controlled by him) are considered related party transactions pursuant to the AIM Rules.

The Directors independent of each of the above related party transactions, being David Jamison in relation to the participation of certain Directors in the Subscription, and all of the Non-Executive Directors in relation to the Company's entry into the Junior Loan Facility and the associated issue of Warrants, consider, having consulted with Strand Hanson Limited, the Company's Nominated Adviser, that the respective terms of each of the related party transactions are fair and reasonable insofar as Shareholders are concerned.

30. Directors' recommendation and voting intention

The Directors consider that the Exxon Acquisition and the PETRONAS Acquisition is in the best interests of the Shareholders and the Company as a whole, and, accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do so in respect of their own beneficial holdings of 43,114,105 Ordinary Shares, representing approximately [●] per cent. of the Enlarged Share Capital.

Shareholders should note that in the event Resolutions 1, 2, 5 and/or 9 are not approved, amongst other things, one or both of the Exxon Acquisition and the PETRONAS Acquisition (as applicable) may not proceed. For this reason, the Company strongly encourages Shareholders to vote in favour of Resolutions 1, 2, 5 and/or 9 and the other Resolutions to be proposed at the General Meeting.

Yours faithfully,

Steve Jenkins

Independent Non-Executive Chair

PART 2

EXXON ACQUISITION AND THE PETRONAS ACQUISITION OVERVIEW

1. Exxon Acquisition

- 1.1. On 12 December 2021, Savannah Chad and the Exxon Sellers entered into the Exxon SPA relating to the acquisition by Savannah Chad:
 - 1.1.1. from Exxon Mobil Corporation, of a 100 per cent. shareholding interest in EEPCI, which holds a 40 per cent. participating interest in, and is operator of, the Doba OFDA; and
 - 1.1.2. from ExxonMobil International Holdings Inc. and Esso Exploration Holdings Inc., of a 100 per cent. shareholding interest in EPIL, which in turn holds a:
 - 1.1.2.1. 40.19 per cent. shareholding interest in TOTCo; and
 - 1.1.2.2. 41.06 per cent. shareholding interest in COTCo.
- 1.2. Subject to Completion occurring, the Exxon SPA has an economic effective date of 1 January 2021.

Acquisition Consideration

- 1.3. The total approximate consideration payable by the Company for the Exxon Acquisition shall consist of:
 - 1.3.1. US\$255,600,000 in cash for the entire issued share capital of EEPCI (plus interest); plus
 - 1.3.2. US\$104,400,000 in cash for the entire issued share capital of EPIL (plus interest); plus or less (*as applicable*)
 - 1.3.3. the sum of certain completion date adjustments (plus interest on certain of these adjustments), including: (i) a positive adjustment for (EEPCI's underlift position) of US\$11.9 million as at the Economic Effective Date; (ii) a negative adjustment for any leakage from the Exxon Target Companies during the interim period; (iii) a positive adjustment for any contributions made to the Exxon Target Companies by the Exxon Sellers during the interim period; (iv) a negative adjustment for certain agreed cash amounts extracted from the Exxon Target Companies by the Exxon Sellers immediately prior to Completion; and (v) a negative adjustment to compensate for EEPCI failing to achieve its target production between 1 November 2021 and Completion; plus
 - 1.3.4. to the extent that EEPCI fails to achieve its target production (should the effect on production capacity, following an incident affecting the water handling system at the Miandoum gathering station, not have been rectified) a negative adjustment at Completion proportionate to the extent to which the then current production falls short on the target production, followed by a contingent positive post-Completion non-interest bearing payments payable from the proceeds of EEPC's crude oil over a four year period post-Completion should the target production be re-achieved; plus
 - 1.3.5. up to an aggregate of US\$50,000,000 of non-interest bearing contingent consideration, by means of payment to ExxonMobil of 25 per cent. of the proceeds of sale of EEPCI's entitlement to crude oil (net of any royalty barrels or royalty payments due to the Government of Chad) received by EEPCI above US\$55 per bbl and up to US\$80 per bbl, between 1 January 2021 and 31 December 2023. The first of such payments shall be made at Completion.

Conditions to Completion

- 1.4. Completion of the Exxon Acquisition remains subject to a number of conditions, the most substantive of these outstanding conditions being:
 - 1.4.1. Ministerial Consent;
 - 1.4.2. waiver from the other members of the Doba Consortium of their preferential rights under the Doba JOA in relation to the transfer of shares in EEPCI, or confirmation of the expiry of

the relevant period within which such preferential rights may be exercised, without such rights having been exercised;

- 1.4.3. shareholder approval at the General Meeting;
 - 1.4.4. EEP CI obtaining a settlement between EEP CI and the Government of Chad with respect to certain items, including all taxes or similar levies in relation to the activities of EEP CI prior to the Economic Effective Date, or an alternative arrangement having been agreed between the Exxon Sellers and Savannah Chad; and
 - 1.4.5. material completion of the transfer of Exxon's IT systems used in the operation of the Exxon Target Companies and the Pipeline Companies to Savannah Chad that have been agreed to be transferred.
- 1.5 A description of the key terms of the Exxon SPA are set out in paragraph 2.1 of Part 14 of this document.
- 1.6 The Company has provided to the Exxon Sellers a parent company guarantee to guarantee the obligations of Savannah Chad under the Exxon SPA.

2. PETRONAS Acquisition

- 2.1. On 2 December 2021, Savannah Chad and PETRONAS entered into the PETRONAS SPA relating to the acquisition by Savannah Chad from PETRONAS of a 100 per cent. shareholding interest in PCCEPI, which holds:
- 2.1.1. a 100 per cent. shareholding interest in PC Chad, which holds a non-operating 35 per cent. participating interest in the Doba OFDA;
 - 2.1.2. a 100 per cent. shareholding interest in Doba Pipeline, which in turn holds a:
 - 2.1.2.1. 30.16 per cent. shareholding interest in TOTCo; and
 - 2.1.2.2. 29.77 per cent. shareholding interest in COTCo; and
 - 2.1.3. a 100 per cent. shareholding interest in PC Marketing, which purchases all of PC Chad's entitlement to crude oil under an offtake agreement. PC Marketing has appointed PETCO Trading (UK) Limited (PETRONAS' marketing entity) to market such offtake, such marketing agency agreement will be terminated at Completion.

Acquisition Consideration

- 2.2. The total approximate consideration payable by the Company for the PETRONAS Acquisition shall consist of:
- 2.2.1. US\$266,000,000 in cash for the entire issued share capital of PCCEPI (plus interest); *plus or less (as applicable)*
 - 2.2.2. the sum of certain completion date adjustments, including: (i) a positive working capital adjustment for cash in the PETRONAS Target Companies as at the Economic Effective Date; (ii) a positive adjustment for the working capital balance of the PETRONAS Target Companies as at the Economic Effective Date; (iii) a negative adjustment of US\$4.5 million for the overlift as at the Economic Effective Date; (iv) a negative adjustment for any leakage from the PETRONAS Target Companies during the interim period; (v) a positive adjustment for any contributions to the PETRONAS Target Companies made by PETRONAS during the interim period; and (vi) a negative adjustment for certain agreed cash amounts extracted from the PETRONAS Target Companies by PETRONAS immediately prior to Completion. The sum of (i), (ii) and (iii), net off the cash extraction in respect of these amounts is a positive adjustment of US\$16.8 million.
- 2.3. Subject to Completion occurring, the PETRONAS SPA has an economic effective date of 1 January 2021.
- 2.4. The Company has provided to PETRONAS a parent company guarantee to guarantee the obligations of Savannah Chad under the PETRONAS SPA.

Conditions to Completion

- 2.5. Completion of the PETRONAS Acquisition remains subject to a number of conditions, the most substantive of these outstanding conditions being:
- 2.5.1. Ministerial Consent;
 - 2.5.2. waiver from the other members of the Doba Consortium of their preferential rights under the Doba JOA in relation to the transfer of shares in PC Chad, or confirmation of the expiry of the relevant period within which such preferential rights may be exercised, without such rights having been exercised; and
 - 2.5.3. shareholder approval at the General Meeting.
- 2.6 In addition to the above, Completion of the PETRONAS Acquisition may also be delayed pending receipt of merger approval from the CEMAC Council for Competition.

3. Adjustment upon Completion

Given the difference between the Economic Effective Date of the transaction of 1 January 2021 and the anticipated Completion date of the Exxon Acquisition and the PETRONAS Acquisition of 1 July 2022, there is expected to be a significant completion adjustment to the sums ultimately to be paid to ExxonMobil and PETRONAS at Completion relating to, *inter alia*, the cash generation of the acquired assets during this period and the sweeping by ExxonMobil and PETRONAS of certain of the upstream target companies' cash balances just prior to Completion. As at the date of re-admission and consistent with the economic and commercial assumptions outlined in the Chad/Cameroon CPR, the Completion date adjustment is expected to be approximately [US\$● million].

4. The Enlarged Group Post-Completion

- 4.1. The Exxon Acquisition and the PETRONAS Acquisition are entirely separate and independent. Failure to satisfy the conditions under one of the acquisitions will not impact the ability of the Company to achieve Completion under the other acquisition.
- 4.2. Following completion of the Exxon Acquisition and PETRONAS Acquisition, the Enlarged Group will hold:
- 4.2.1. a 75 per cent. participating interest in, and be the operator of, the Doba OFDA;
 - 4.2.2. a 70.34 per cent. shareholding interest in TOTCo; and
 - 4.2.3. a 70.83 per cent. shareholding interest in COTCo.
- 4.3. A simplified structure chart of the Enlarged Group following Completion is shown in paragraph 14 of Part 1 contained in Appendix II of this announcement.

5. Acquisition Financing

The Company intends to fund the considerations payable for the Exxon Acquisition and the PETRONAS Acquisition through a combination of the Debt Financing, the Junior Loan Facility, the Placing and the Subscription.

Debt Financing

- 5.1 On [●] December 2021, Savannah Chad and the Senior Lender entered into an agreement pursuant to which the Senior Lender agreed to provide Savannah Chad with an up to US\$400 million borrowing base facility (US\$300 million initial commitment with a US\$100 million accordion). Descriptions of the key terms of the Debt Financing are set out in paragraph 3.1 of Appendix IV.

Junior Loan Facility

- 5.2 On [●] December 2021, the Company entered into the Junior Loan Facility. The Company's Chief Executive Officer, Andrew Knott, has committed to lend to the Company (via LCP4L): (i) US\$17 million immediately prior to Completion of the Exxon Acquisition; and (ii) US\$15 million immediately prior to

Completion of the PETRONAS Acquisition. Further details of the terms of the Junior Loan Facility are set out in paragraph 3.2 of Appendix IV of this announcement.

Placing and Subscription

5.3 The Company is raising approximately US\$[*] (net of commissions and expenses) from the Placing and Subscription, which is intended to be used to, *inter alia*, partly fund the Exxon Acquisition and the PETRONAS Acquisition.

6. Shareholder Approval

6.1. Due to their size and nature, each of the Exxon Acquisition and the PETRONAS Acquisition independently constitutes a reverse takeover transaction pursuant to AIM Rule 14.

6.2. Each of the Exxon Acquisition and the PETRONAS Acquisition are, therefore, subject to Shareholder approval at the General Meeting. The General Meeting will be held at 10.30 a.m. on [*] January 2022 at the offices of the Company, being 40 Bank Street, London E14 5NR. At the General Meeting, the following Resolutions will be proposed in respect of the Exxon Acquisition and the PETRONAS Acquisition:

6.2.1. Resolution 1: an ordinary resolution to approve the Exxon Acquisition for the purposes of Rule 14 of the AIM Rules for Companies; and

6.2.2. Resolution 2: an ordinary resolution to approve the PETRONAS Acquisition for the purposes of Rule 14 of the AIM Rules for Companies.

6.3. If Resolution 1 is not passed, the Exxon Acquisition will not proceed. If Resolution 2 is not passed, the PETRONAS Acquisition will not proceed. If Resolutions 5 and 9 are not passed one or both of the Exxon Acquisition and the PETRONAS Acquisition may not proceed.

7. Ministerial Consent

Ministerial Consent for each of the Exxon Acquisition and the PETRONAS Acquisition is required prior to Completion. The Minister has 60 days following notification to grant or deny consent, following which, consent is deemed to have been given. EEPIC, in respect of the Exxon Acquisition, and PC Chad, in respect of the PETRONAS Acquisition, have each provided notification to the Minister seeking Ministerial Consent.

**APPENDIX III
PATHFINDER ADMISSION DOCUMENT – PART 3**

RISK FACTORS

The investment detailed in this document may not be suitable for all of its recipients and involves a high degree of risk. Before making an investment decision, prospective investors are advised to consult an authorised professional adviser who specialises in advising on investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

The Enlarged Group's business, financial condition or results of operations could be materially and adversely affected by any of the risks described below. In such cases, the market price of the Ordinary Shares may decline and investors may lose all or part of their investment.

In addition to the other relevant information set out in this document, the Directors consider that the following risk factors, which are not set out in any particular order of priority, magnitude or probability, are of particular relevance to the Enlarged Group's activities and to any investment in the Company. The risks and uncertainties described below are not the only ones the Enlarged Group faces. Additional risks and uncertainties of which the Enlarged Group is not aware or that the Enlarged Group currently believes are immaterial may also adversely affect the Enlarged Group's business, financial condition and results of operations. If any of the possible events described below were to occur, the Enlarged Group's business, results of operations, cashflows, financial condition and prospects could be materially and adversely affected. If that happens, the value of the Enlarged Group may diminish and investors could lose all or part of the investment. Any one or more of these risk factors could have a materially adverse impact on the value of the Enlarged Group.

There can be no certainty that the Enlarged Group will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the future performance of the Enlarged Group and there can be no assurance that the Enlarged Group will achieve its objectives.

This document also contains forward looking statements that involve risks and uncertainties. The Enlarged Group's actual results may differ materially from those anticipated in these forward looking statements as a result of various factors, including the risks described below and elsewhere in this document. In general, investing in securities of companies in emerging market countries such as Chad, Cameroon, Nigeria and Niger involves certain risks not typically associated with investing in the securities of companies operating in more developed economies.

To the extent the description in this section relates to government data or third-party sources, such information has been extracted from official government publications or other third-party sources and has not been independently verified by the Enlarged Group.

The risk factors have been grouped as follows:

1. Risks related to the Exxon Acquisition and/or the PETRONAS Acquisition
2. General risks associated with the operations and business of the Enlarged Group and COVID-19
3. Risks associated with the Chad/Cameroon Assets and doing business in Chad and Cameroon
4. Risks associated with the Nigerian Assets and doing business in Nigeria
5. Risks associated with the Niger Assets and doing business in Niger
6. Risks relating to the Ordinary Shares

1. Risks related to the Exxon Acquisition and/or the PETRONAS Acquisition

- 1.1 **There is a risk that the Exxon Acquisition and/or the PETRONAS Acquisition will not be implemented on a timely basis or at all.**

Completion of the Exxon Acquisition is conditional upon, *inter alia*: (i) Ministerial Consent; (ii) waiver from the other members of the Doba Consortium of their preferential rights under the Doba JOA in

relation to the transfer of shares in EEPIC, or confirmation of the expiry of the relevant period within which such preferential rights may be exercised, without such rights having been exercised; (iii) shareholder approval approving the Exxon Acquisition at the General Meeting; (iv) the Exxon Sellers obtaining a settlement between EEPIC and the Government of Chad with respect to all taxes or similar levies in relation to the activities of EEPIC prior to the Economic Effective Date; and (v) material completion of the transfer of Exxon's IT systems used in the operation of the Exxon Target Companies and the Pipeline Companies to Savannah Chad that have been agreed to be transferred.

Completion of the PETRONAS Acquisition is conditional upon, *inter alia*: (i) Ministerial Consent; (ii) waiver from the other members of the Doba Consortium of their preferential rights under the Doba JOA in relation to the transfer of shares in PC Chad, or confirmation of the expiry of the relevant period within which such preferential rights may be exercised, without such rights having been exercised; and (iii) shareholder approval approving the PETRONAS Acquisition at the General Meeting. In addition, Completion of the PETRONAS Acquisition may also be delayed pending receipt of merger approval from the CEMAC Council for Competition.

There is a risk that the conditions for each of Exxon Acquisition and the PETRONAS Acquisition will not be satisfied on a timely basis or at all. If such conditions are not satisfied, or, where applicable, not waived, the Exxon Acquisition and/or the PETRONAS Acquisition (as applicable) will not be implemented, the benefits expected to result from the Exxon Acquisition and/or the PETRONAS Acquisition will not be achieved and the market price of the Ordinary Shares may be affected. In addition, with respect to the PETRONAS Acquisition, there is a risk that the Company does not receive merger approval from the CEMAC Council for Competition, and therefore the PETRONAS Acquisition will not be implemented.

In particular, although the Company expects to receive Ministerial Consent for the Exxon Acquisition and the PETRONAS Acquisition, there is a risk that governmental policy on oil and gas fields may change and Ministerial Consent will not be obtained on time or at all.

1.2 If the Exxon Acquisition and/or the PETRONAS Acquisition are/is completed, the Enlarged Group may experience difficulties in integrating the existing businesses carried on by the Company, ExxonMobil and PETRONAS.

The Existing Group, ExxonMobil and PETRONAS operate and, until completion of the Exxon Acquisition and/or the PETRONAS Acquisition, will continue to operate, as separate and independent businesses. Completion of the Exxon Acquisition and/or the PETRONAS Acquisition will lead to the integration of the businesses with the Existing Group, and the success of the Enlarged Group will depend, in part, on the effectiveness of the integration process and the ability of the Enlarged Group and the Directors to realise the anticipated advantages from combining the respective businesses.

The integration of the assets, organisations, systems and facilities of the Company, the Exxon Target Companies and the PETRONAS Target Companies, as well as the development of new systems and procedures for the Enlarged Group, requires the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. There can be no assurance that the Company will realise the potential benefits of the Exxon Acquisition and/or the PETRONAS Acquisition.

The integration of the Exxon Target Companies will include the transition, handover and/or replacement of certain IT systems, infrastructure and services used by the Exxon Target Companies, including IT systems and services that are currently provided centrally by the ExxonMobil group and will need to be transitioned onto new systems to be installed and implemented by the Enlarged Group. These IT systems include systems critical to the day-to-day operations and production management, maintenance, inventory management, HSE, HR, accounting, financial reporting, treasury and supply chain management. These new systems will need to be in place by the time the Exxon Acquisition completes. If they are not, there is a risk that there will be disruption to the acquired businesses which could impact on the Enlarged Group's operations, results, cashflows and prospects.

The integration process may result in the loss of key employees and the disruption of ongoing business and employee relationships that may adversely affect the Enlarged Group's ability to achieve the anticipated advantages of the Exxon Acquisition and/or the PETRONAS Acquisition.

Moreover, some of the potential challenges in combining the businesses may not become known until after Completion of the Exxon Acquisition and/or the PETRONAS Acquisition, in particular due to the substantial increase in the scale of the combined operations and the number of projects which the Enlarged Group would operate. The geographical spread of the Enlarged Group's operations may make it more difficult to implement and impress upon local workforces the Enlarged Group's policies on matters such as health and safety and can present challenges in the effective supervision of sub-contracted employees. Uncertainty about the effects of the Exxon Acquisition and/or the PETRONAS Acquisition, including effects on employees, partners, contractors, regulators and customers may adversely affect the business and operations of the Enlarged Group. These uncertainties could cause customers, business partners, regulators and other parties that have business relationships with the Enlarged Group to defer the consummation of other transactions or other decisions concerning those businesses, or to seek to change existing business relationships.

1.3 Costs related to the Exxon Acquisition and the PETRONAS Acquisition may exceed the Company's expectations.

Costs related to the Exxon Acquisition and/or the PETRONAS Acquisition may exceed the Company's expectations. These costs will include execution, integration and post-Completion costs in order to acquire the Exxon Target Companies and the PETRONAS Target Companies and combine with the operations of the Existing Group. The actual costs of the acquisition execution and integration process may exceed those estimated and there may be further additional and unforeseen expenses incurred in connection with the Exxon Acquisition and/or the PETRONAS Acquisition. In addition, the Company will incur legal, accounting, transaction fees and other costs relating to the Exxon Acquisition and the PETRONAS Acquisition, some of which are payable whether or not the Exxon Acquisition and/or the PETRONAS Acquisition completes.

1.4 The Enlarged Group will have increased indebtedness.

Following Completion, the Enlarged Group will have increased indebtedness and interest and debt repayment obligations. This is addressed further in paragraph 2.6 below.

1.5 Certain figures included in the Chad/Cameroon CPR are modelled on assumptions that may turn out to be incorrect.

The hydrocarbon Reserve and Resource estimates, and economic valuations associated with these estimates included in the Chad/Cameroon CPR are based upon certain assumptions, including, *inter alia*, future oil prices, geological and geophysical assumptions of the performance of the subsurface, demand, maintenance requirements and timing and amount of future capital expenditure requirements. There can be no guarantee that these assumptions are correct. There are uncertainties inherent in estimating the quantity of Reserves and Resources, and in projecting future rates of production. Estimating the amount of hydrocarbon Reserves and Resources, and the expected cost to exploit these Reserves and Resources, is an interpretive process and, in addition, results of drilling, testing and production subsequent to the date of an estimate may result in material revisions to an estimate.

No assurance can be given that hydrocarbon Resources and Reserves included in the Chad/Cameroon CPR are, or will be, present as estimated, will be recovered at the rates estimated nor that they can be brought into profitable production. Hydrocarbon Resource and Reserve estimates may require revisions (either up or down) based on actual production experience and in light of the prevailing market price of oil and gas. Hydrocarbon Resource and Reserve estimates are highly subjective, and there is a risk that there are discrepancies between those estimates and the Resources and Reserves which are ultimately identified, both in terms of volume of Resources and Reserves identified, and in terms of the potential for recovery of such resources to be economically recoverable. A decline in the market price for oil and gas could render Reserves uneconomic to recover and may ultimately result in a reclassification of Reserves as Resources.

1.6 Advice from Professional advisers.

The Directors and the Enlarged Group have relied upon advice from various professional advisers engaged by the Enlarged Group in relation to the acquisition of the Exxon Target Companies and the PETRONAS Target Companies and the preparation of this Admission Document. Such professional advisers' liability is subject to limitations. Accordingly, in the event any such advice proves to have been incorrect, any amounts recoverable from the relevant adviser(s) may not be sufficient to cover

all of the Enlarged Group's resulting losses. This could have a material adverse effect on the Enlarged Group's business and operations, financial condition and prospects.

1.7 The Enlarged Group may become liable for unforeseen liabilities including potential unknown historical violations of applicable law by the Exxon Target Companies and the PETRONAS Target Companies, TOTCo and/or COTCo.

During the course of the Exxon Acquisition and the PETRONAS Acquisition, the Enlarged Group has undertaken, and engaged professional advisors to undertake on its behalf, extensive due diligence (including tax, financial, human resources, compliance, legal, technical and environmental) on the Exxon Target Companies and the PETRONAS Target Companies, the Pipeline Companies and the Chad-Cameroon Assets. Such due diligence has involved reviewing publicly available information and information disclosed by the Exxon Sellers and PETRONAS, as well as site visits. Under the terms of the Exxon SPA and the PETRONAS SPA, the Enlarged Group also has the benefit of warranty protection with respect to certain substantive issues relating to the Exxon Target Companies, the PETRONAS Target Companies and the Chad/Cameroon Assets, including warranties relating to title, litigation, environmental, operational, employees and tax.

However, notwithstanding the due diligence undertaken by the Company with respect to the Exxon Acquisition and the PETRONAS Acquisition, there is no assurance that the Exxon Target Companies and the PETRONAS Target Companies, the Pipeline Companies and the Chad-Cameroon Assets are not subject to obligations or liabilities or third-party rights or claims of which the Enlarged Group is currently unaware. The warranty protection afforded to the Enlarged Group under each sale purchase agreement is a negotiated package and is subject to limitations of liability claims, including financial caps, time limitations and various exclusions of liability. Such limitations could result in restricting the Enlarged Group from: (i) bringing a warranty claim under a sale purchase agreement; and/or (ii) recovering the full amount of losses suffered from a breach of the relevant warranty.

In order to offer Exxon and PETRONAS a clean-break from the Exxon Target Companies and the PETRONAS Target Companies and their operations in Chad and Cameroon, Savannah Chad has provided the Exxon Sellers (and its affiliates) and PETRONAS (and its affiliates) with an indemnity in respect of all liabilities (save for certain exceptions) whether they relate to pre or post Completion, suffered by the Exxon Sellers (or their affiliates) and the PETRONAS Sellers (or its affiliates) in relation to the Chad-Cameroon Assets.

Any obligations or liabilities or third-party rights or claims which the Enlarged Group becomes subject to post-Completion of either Exxon Acquisition and the PETRONAS Acquisition, either directly or as a result of the indemnity provided to Exxon (and its affiliates) or PETRONAS (and its affiliates), could have a material adverse effect on the Enlarged Group's business, financial condition and/or prospects.

1.8 Future litigation.

Through the acquisition of the PETRONAS Target Companies, the Company will inherit the PETRONAS Target Companies' obligation to keep EEPCI (in its capacity as an Operator of the Doba Consortium) whole for PC Chad's participating interest share of liabilities arising from existing litigation that has been brought against EEPCI. The conduct of such litigation is within the sole control of EEPCI and therefore the PETRONAS Target Companies have no control over the ultimate outcome and consequent exposure of the PETRONAS Target Companies for their proportionate share of a negative outcome. However, should the Exxon Acquisition complete, the Company would acquire EEPCI and therefore have sole control of EEPCI and the conduct of litigation.

2. General risks associated with the operations and business of the Enlarged Group

2.1 Risks relating to the Enlarged Group's activities in the oil and gas industry.

There are numerous factors which may affect the success of the Enlarged Group's business which are beyond its control including local, national and international economic, legal and political conditions. The Enlarged Group's business involves a high degree of risk which a combination of experience, knowledge and careful evaluation may not overcome. The operations of the Enlarged Group in Central and West Africa may expose it to potential civil unrest and political or currency risks.

2.2 Drilling for and producing oil and gas are high-risk activities with many uncertainties which may result in the Enlarged Group's expenses increasing and projected cashflows decreasing.

The Enlarged Group's future success partially depends on its ability to develop and produce from its oil and gas fields in a timely and cost-effective manner. As part of its strategy, the Enlarged Group intends to pursue the further development of its existing assets, which include undeveloped Reserves and Resources and prospective Resources, and/or future opportunities to obtain or acquire further assets. This is expected to be achieved by further drilling and exploiting its existing fields, which the Directors believe will enable the Enlarged Group to grow its Reserves and production levels. However, drilling for and producing oil and gas are high-risk activities with many uncertainties, which may result in the Enlarged Group's expenses increasing and projected cashflows decreasing.

2.3 Oil prices.

The marketability and price of oil and natural gas that may directly or indirectly be acquired or discovered by the Enlarged Group will be affected by numerous factors beyond the control of the Enlarged Group, but which include: global and regional supply and demand, together with expectations regarding future supply and demand, for oil and gas; global and regional economic conditions; political, economic and military developments in oil and gas producing regions; prices and availability of alternative sources of energy; geopolitical uncertainty; speculative activities and trends in the financial community; and the ability and desire of members of OPEC, and other oil producing nations, to set and maintain specified levels of production and prices. Low oil prices will reduce the projected economic value of the Enlarged Group's assets, make it harder for the Company to attract partners and/or capital and reduce the cashflows of the Enlarged Group's assets once developed.

2.4 Governmental relations may change and retention of key business relationships.

In order to protect the Enlarged Group's licences and permits to operate and its ability to secure new resources, it is important that the Enlarged Group should maintain strong positive relationships with the governments of, and communities in, the countries where its business is conducted. Failure – real or perceived – to maintain these relationships could harm the Enlarged Group's reputation, which could, in turn, impact the Enlarged Group's licences, financing and access to new opportunities.

Although the Company believes that it has good relations with its host governments, there can be no assurance that the actions of present or future governments in these countries, together with governments of other countries in which the Enlarged Group may operate, directly or indirectly, in the future and supra-national authorities (such as CEMAC), will not materially adversely affect the business or financial condition of the Enlarged Group.

The Enlarged Group will rely significantly on strategic relationships with other entities, on good relationships with regulatory and governmental departments and upon third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed, and the Enlarged Group could be adversely affected by changes to such relationships or difficulties in forming new ones. Any circumstance that causes the early termination or non-renewal of one or more of these key business alliances or contracts could adversely impact the Enlarged Group, its business, operating results and prospects.

2.5 The Enlarged Group operates in a capital-intensive industry and its growth may require additional funding to meet both expected and unanticipated costs, which the Enlarged Group may not be able to raise.

The Enlarged Group's business requires significant capital for appraisal, development, maintenance, production, processing infrastructure and transportation expenditures and, in the future, the Enlarged Group may seek additional financing to fund its future exploration, development, acquisition and/or construction plans beyond its current committed and planned expenditures.

There can be no assurance that the Enlarged Group will be able to generate or raise sufficient funds to meet required capital expenditures in the longer term or to do so at a reasonable cost. Moreover,

in circumstances where such funding is not available, the Enlarged Group may be required to amend its appraisal, development and other capital expenditure plans. The Enlarged Group's ability to arrange future financing, and the cost of financing generally, will depend on many factors, including: political, economic and capital markets conditions and the global political pressures towards energy transition; the availability of finance for fossil fuel projects; oil and gas prices; investor confidence in the oil and gas industry generally and in Chad, Cameroon, Nigeria, Niger, specifically, and in the Enlarged Group; business performance; regulatory developments, including tax and securities laws that are conducive to raising capital; and credit available from banks and other lenders.

Furthermore, the ability of many companies to arrange financing and the cost of financing is subject to events affecting the global financial markets. Also, the cost of and terms and conditions on which future funding or financing may be made available may not be acceptable to the Enlarged Group or funding or financing may not be available at all, and any additional debt financing may involve financing costs including prepayment fees or restrictive covenants and ratios that could limit or affect our operational flexibility.

Any inability in the longer term to procure sufficient financing could adversely affect the Enlarged Group's ability to expand its business and meet its production targets, may result in unexpected costs and delays in relation to project development and/or construction plans, or may result in an inability to implement the plans as currently contemplated. If the reductions in financing levels are severe enough, they could adversely affect the Enlarged Group's ability to maintain production at current levels and limit its cash available to service its indebtedness.

If the Enlarged Group's revenue or Reserves declines, it may be unable to raise additional funds (or any external debt or equity financing may not be available on acceptable terms) or have the capital necessary (either from internal sources or through external debt or equity financing) to undertake or complete future drilling and development programs or acquisitions.

The occurrence of any of these events could have a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

2.6 The Enlarged Group's leverage and debt service obligations could adversely affect its business and prevent it from fulfilling its obligations under the debt facilities.

As of 30 November 2021, the Existing Group had gross debt of US\$529.8 million and, to finance the Exxon Acquisition and the PETRONAS Acquisition, it is proposed that the Enlarged Group will take on a further US\$432 million of gross debt.

This amount of debt could have significant consequences for the Enlarged Group's business including, but not limited to:

- making it more difficult for it to satisfy its obligations with respect to the various financing arrangements;
- increasing the Enlarged Group's vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of the Enlarged Group's cashflow from operations to the payment of principal of, and interest on, indebtedness, thereby reducing the availability of such cashflow for other uses;
- limiting the Enlarged Group's ability to obtain additional financing to fund working capital, capital investments, acquisitions, other debt service requirements, business ventures or other general corporate purposes;
- limiting its flexibility in planning for, or reacting to, changes in its business and the competitive environment and the industry in which the Enlarged Group does business;
- placing the Enlarged Group at a competitive disadvantage compared to its competitors that have lower leverage or greater financial resources;
- negatively impacting credit terms with its creditors; and

- limiting the Enlarged Group's ability to borrow additional funds and subjecting it to financial and other restrictive covenants or pay dividends to Shareholders.

These consequences could have a material adverse effect on the Enlarged Group's business, prospects, financial condition and results of operations and on its ability to satisfy its obligations under the various financing agreements.

Furthermore, the Enlarged Group requires a significant amount of cash to service its debt and to sustain its operations, and its ability to generate sufficient cash depends on many factors beyond its control. The Enlarged Group's ability to make payments on, or repay or refinance, its debt, and to fund working capital and capital investments, will depend on its future operating performance and ability to generate sufficient cashflow. This depends on the success of the Enlarged Group's business strategy and on general economic, financial, operational, competitive, market, legislative, regulatory, technical and other factors discussed in these "Risk factors", many of which are beyond the control of the Company.

A breach of any covenant or restriction or a failure to make scheduled payments of principal or interest on any of the Enlarged Group's indebtedness could result in a default that would permit the lender or noteholder to declare all amounts borrowed to be due and payable, together with accrued and unpaid interest. In addition, since certain of the financing arrangements are (or, upon Completion of the Exxon Acquisition and/or the PETRONAS Acquisition will be) secured by various security agreements, such as pledges over shares of certain subsidiaries (and, in particular, Savannah Chad, Accugas, SEUGL and Universal), any enforcement action taken by a lender could include the sale by such lenders of the property securing such debt if the Enlarged Group is unable to pay the outstanding debt on demand. Accordingly, payment default or covenant breaches and the subsequent exercise by the relevant lenders of their rights under the various financing agreements could have a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

2.7 Exploration, appraisal, development and production risks.

With respect to the Enlarged Group's operations in Niger, in particular, there can be no guarantee that hydrocarbons will be discovered in commercial quantities, or that those discovered will be developed into profitable production. Hydrocarbon deposits may not ultimately contain economically recoverable volumes of resources and even if they do, delays in the construction and commissioning of production projects or other technical difficulties may result in any projected target dates for production being delayed or further capital expenditure being required. There is also the risk that the Enlarged Group may not be awarded exclusive exploitation rights in respect of resources which are ultimately identified.

The operations and planned drilling activities of the Enlarged Group and its partners may be disrupted, curtailed, delayed or cancelled by a variety of risks and hazards which are beyond the control of the Enlarged Group, including unusual or unexpected geological formations, formation pressures, geotechnical and seismic factors, environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures or discharge of toxic gases, industrial accidents, occupational and health hazards, technical failures, mechanical difficulties, equipment shortages, labour disputes, fires, power outages, compliance with governmental requirements and extended interruptions due to inclement or hazardous weather and ocean conditions, explosions, blow-outs, pipe failure and other acts of God.

Any one of these risks and hazards could result in work stoppages, damage to, or destruction of, the Enlarged Group's or its partners' facilities, personal injury or loss of life, severe damage to or destruction of property, environmental damage or pollution, clean-up responsibilities, regulatory investigation and penalties, business interruption, monetary losses and possible legal liability which could have a material adverse impact on the business, operations and financial performance of the Enlarged Group. Although precautions to minimise risk are taken, even a combination of careful evaluation, experience and knowledge may not eliminate all of the hazards and risks. In addition, not all of these risks are insurable.

2.8 Hydrocarbon resource and reserve estimates.

No assurance can be given that hydrocarbon Resources and Reserves reported by the Company previously, now or in the future, are, or will be, present as estimated, will be recovered at the rates estimated or that they can be brought into profitable production. Hydrocarbon Resource and Reserve estimates may require revisions (either up or down) based on actual production experience and in light of the prevailing market price of oil and gas. Hydrocarbon Resource and Reserve estimates are highly subjective, and there is a risk that there are discrepancies between those estimates and the Resources and Reserves which are ultimately identified, both in terms of volume of Resources and Reserves identified, and in terms of the potential for recovery of such resources to be economically recoverable. A decline in the market price for oil and gas could render Reserves uneconomic to recover and may ultimately result in a reclassification of Reserves as Resources.

2.9 Capital and operating expenditure estimates may not be accurate.

Estimated capital and operating expenditure requirements are estimates based on anticipated costs and made on certain assumptions. Given the inherent uncertainties as to Savannah's future work programmes and associated capital expenditures (in particular, following the integration of the Exxon Target Companies and PETRONAS Target Companies' businesses following Completion), the uncertain time frame during which the capital expenditures will be made and sources of finance will be made available to the Enlarged Group, and the general correlation between oil and gas capital expenditures and global commodity markets, there is a risk that currently assessed capital and operating expenditures as referenced in the CPRs included as Parts 9, 10 and 11 in this document may prove to be inaccurate. In addition, given the pragmatic approach of Savannah's Board and executive management team, nearer term capital and operating expenditure may be subject to change if Savannah's Board and management believe such a change is in the best interests of the Enlarged Group.

Should the Enlarged Group's capital and operating expenditure requirements turn out to be higher than currently anticipated, the Enlarged Group or its partners may need to seek additional funds which it may not be able to secure on reasonable commercial terms to satisfy the increased capital expenditure requirements. If this happens, the Enlarged Group's business, cashflow, financial condition and operations may be materially adversely affected.

2.10 Exploration activities are capital intensive and there is no guarantee of success.

Exploration activities are capital intensive and their successful outcome cannot be assured. The Enlarged Group may undertake exploration activities and incur significant costs with no guarantee that such expenditures will result in the discovery of commercially deliverable oil or gas. The Enlarged Group may explore in geographic areas, where environmental conditions are challenging and costs can be high. The costs of drilling, completing and operating wells are often uncertain. As a result, there may be cost overruns or requirements to curtail, delay or cancel drilling operations because of many factors, including unexpected drilling conditions, pressure or irregularities in geological formations, equipment failures or accidents, adverse weather conditions, compliance with environmental regulations, governmental requirements and shortages or delays in the availability of drilling rigs and the delivery of equipment. Capital expenditure commitments may vary (or be increased) as a result of actual exploration performance. The risk of incurring such costs and the failure of such exploration may adversely affect the Enlarged Group's profitability.

2.11 Appraisal and development results may be unpredictable.

Appraisal results for discoveries are also uncertain. Appraisal and development activities involving the drilling and testing of wells across a field may be unpredictable and may not result in the outcome planned, targeted or predicted, as only by extensive testing can the properties of the entire field be fully understood.

2.12 Increase in drilling costs and the availability of drilling equipment.

The oil and gas industry historically has experienced periods of rapid cost increases. Increases in the cost of exploration and development would affect the Enlarged Group's ability to invest directly or indirectly in prospects and to purchase or hire equipment, supplies and oil and gas specific services.

In addition, the availability and cost of drilling rigs and other equipment and services, including access to seismic survey equipment and related professionals, is affected by the level and location of drilling activity around the world.

An increase in drilling operations outside or in the Enlarged Group's intended area of operations may reduce the availability, and increase the cost, of such equipment and services to the Enlarged Group and to the companies with which it operates. The reduced availability of such equipment and services may delay the Enlarged Group's ability, directly or indirectly, to exploit Reserves and adversely affect the Enlarged Group's operations and profitability.

2.13 Delays in production, marketing and transportation.

Various production, marketing and transportation conditions may cause delays in oil and gas production and adversely affect the Enlarged Group's business. Drilling wells in areas remote from distribution and production facilities may delay production from those wells until sufficient Reserves are established to justify expenditure on construction of the necessary transportation and production facilities. The Enlarged Group's inability directly or indirectly to complete wells in a timely manner would result in production delays.

The Enlarged Group is also subject to market fluctuations in the prices of oil and natural gas, deliverability uncertainties related to the proximity of reserves to adequate pipeline and processing facilities, and extensive government regulations relating to price, taxes, royalties, licences, land tenure, allowable production, the export of oil and natural gas, and many other aspects of the oil and natural gas business. Moreover, weather conditions may impede the transportation and delivery of oil by sea. Any or all of these factors may result in an adverse impact on the financial returns anticipated by the Enlarged Group.

2.14 Decommissioning costs may be greater than initially estimated.

The Enlarged Group, through its licence interests, has certain obligations in respect of the decommissioning of its wells, fields and related infrastructure. These liabilities are derived from legislative and regulatory requirements concerning the decommissioning of wells and production facilities and require the Enlarged Group to make provisions for, set aside funds and/or underwrite the liabilities relating to such decommissioning. It is difficult to forecast accurately the costs that the Enlarged Group will incur in satisfying its decommissioning obligations. When its decommissioning liabilities crystallise, the Enlarged Group will not hold ring fenced funds nor will it have contributed to any reserves for meeting its decommissioning obligations for the Accugas Midstream Business, the Doba Oil Project or the Chad/Cameroon Pipeline Companies and it will be liable either on its own or jointly and severally with its then partners in the field. In the event that it is jointly and severally liable with other partners and such partners default on their obligations, the Enlarged Group will remain liable and its decommissioning liabilities could increase significantly through such default. Any significant increase in the actual or estimated decommissioning costs that the Enlarged Group incurs may adversely affect its financial condition.

The Company does not have a decommissioning or abandonment fund in respect of any of its assets in Nigeria or Niger and does not intend to establish such a fund for the Chad/Cameroon Assets on Completion of the Exxon Acquisition and/or the PETRONAS Acquisition. However, there can be no guarantee that, in certain of the jurisdictions in which the Company operates, the Company will not be required to put in place a fund of this nature in the future.

2.15 Natural disasters.

Any interest held by the Enlarged Group is subject to the impacts of any natural disaster such as earthquakes, epidemics, fires and floods etc. No assurance can be given that the Enlarged Group will not be affected by future natural disasters.

2.16 Environmental factors.

The Enlarged Group's operations are, and will be, subject to environmental regulation in Chad, Cameroon, Nigeria and Niger and any other regions in which the Enlarged Group may operate. Environmental regulations may evolve in a manner that will require stricter standards and enforcement measures being implemented, increases in fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees. Compliance with environmental regulations could increase the Enlarged Group's costs. Should the Enlarged Group's operations not be able to comply with this mandate, financial penalties may be levied. Environmental legislation can provide for restrictions and prohibitions on spills, releases of emissions of various substances produced in association with oil, condensate and natural gas operations. In addition, certain types of operations may require the submission and approval of environmental impact assessments. The Enlarged Group's operations will be subject to such environmental policies and legislation.

Environmental legislation and policy may be periodically amended. Such amendments may result in stricter standards of enforcement and in more stringent fines and penalties for non-compliance. Environmental assessments of existing and proposed projects may carry a heightened degree of responsibility for companies and their directors, officers and employees. The costs of compliance associated with changes in environmental regulations could require significant expenditure, and breaches of such regulations may result in the imposition of material fines and penalties. In an extreme case, such regulations may result in temporary or permanent suspension of production operations. There can be no assurance that these environmental costs or effects will not have a materially adverse effect on the Enlarged Group's future financial condition or results of operations.

2.17 Any expansion via acquisition may not be successful and anticipated benefits of acquisitions may not be realised.

The Enlarged Group may enter into future acquisitions, particularly to increase its oil and gas reserves and resources through acquisitions of interests in further oil and gas assets that have significant resource potential and are near high demand areas. Any such future acquisitions may be achieved through licence awards following bidding rounds, transfers of participating or other economic interests by an existing licence holder, or direct or corporate acquisitions. No assurance can be given that the Enlarged Group will be able to identify attractive acquisition opportunities or, even if the Enlarged Group does identify attractive opportunities, that it will be able to complete acquisitions, or do so on commercially acceptable terms.

Furthermore, the Enlarged Group could encounter difficulties integrating acquired assets, including operations, systems, management and other personnel and technology associated with such acquired assets with its own. Such difficulties could disrupt the Enlarged Group's ongoing business, distract its management and employees and/or increase its expenses.

2.18 Dependence on key executives and personnel.

The future performance of the Enlarged Group will to a significant extent be dependent upon its ability to retain the services and personal connections or contacts of key executives, to attract, recruit, motivate and retain other suitably skilled, qualified and industry experienced personnel to form a high-calibre management team and to develop a succession plan for key executives. Such key executives are expected to play an important role in the development and growth of the Enlarged Group, in particular, by maintaining good business relationships with regulatory and governmental departments and essential partners, contractors and suppliers.

Attracting and retaining highly skilled talent is expected to be fundamental to the successful implementation of the Company's strategy and continued growth. The Company anticipates substantially growing its headcount in the coming years across both its operational and support functions. There is intense competition for high calibre individuals and there can be no guarantee that the Company will be successful in identifying and recruiting individuals necessary to continue to grow its business and implement its strategy.

Many of the Enlarged Group's competitors are larger, have greater financial and technical resources, as well as staff and facilities, and have been operating in a market-based competitive economic environment for much longer than the Enlarged Group.

There can be no assurance that the Enlarged Group will retain the services of any key executives, advisers or personnel who have entered into service agreements or letters of appointment with the Enlarged Group. The loss of the services of any of the key executives, advisers or personnel may have a material adverse effect on the business, operations, relationships and/or prospects of the Enlarged Group. In particular, given the importance of the direction and leadership of its existing Chief Executive Officer as founder of the Company, his local knowledge, his relationships in the oil and gas industry in West Africa, his relationships with financing partners and his industry expertise, the future success of the Enlarged Group is, to an extent, dependent upon the continued service of the Chief Executive Officer. The Enlarged Group currently has no succession plan in place and, therefore, there is a risk that the unexpected departure or loss of this individual could have a material adverse effect on the business, financial condition and results of operations of the Enlarged Group, and there can be no assurance that the Enlarged Group will be able to attract or retain a suitable replacement.

2.19 Health & safety.

Developing oil and gas resources and reserves into commercial production involves a high degree of risk. The Enlarged Group's operations are subject to all the risks common in its industry. These hazards and risks include encountering unusual or unexpected rock formations or geological pressures, geological uncertainties, seismic shifts, blowouts, oil spills, uncontrollable flows of oil, natural gas or well fluids, explosions, fires, improper installation or operation of equipment and equipment damage or failure, including failure to comply with regulatory requirements expected of a Western country (such as comprehensive health and safety processes). Personal injuries suffered as a result of the foregoing are likely to be exacerbated as a result of a lack of access to medical care facilities and healthcare professionals.

If any of these types of events were to occur, they could result in loss of production, environmental damage, injury to persons and loss of life.

They could also result in significant delays to drilling programmes, a partial or total shutdown of operations, significant damage to equipment owned or used by the Enlarged Group and personal injury, wrongful death or other claims related to loss being brought against the Enlarged Group. These events could result in the Enlarged Group being required to take corrective measures, incurring significant civil liability claims, significant fines or penalties as well as criminal sanctions potentially being enforced against the Enlarged Group and/or its officers. The Enlarged Group may also be required to curtail or cease operations on the occurrence of such events. Any of the above could have a material adverse effect on the Enlarged Group's business, prospects, financial condition or results of operations.

While the Enlarged Group has implemented certain policies and procedures to identify and mitigate such hazards, and developed appropriate work plans and approvals for high-risk activities to prevent accidents from occurring, these procedures may not be sufficiently robust or appropriately followed by the Enlarged Group's staff or third-party contractors to prevent accidents.

2.20 Labour relations.

Any labour disputes, unrest or strike activity at any of the Enlarged Group's oil and gas production processing and/or transportation operations or situated at, or affecting, the operations of any third-party which the Enlarged Group utilises for its business, could adversely affect its ongoing operations and the Enlarged Group's ability to explore for, produce, transport and market oil and gas production or cause cost increases. All of these factors could adversely affect the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

2.21 Managing growth and executing strategy.

There can be no assurance that the Enlarged Group will be able to manage effectively the expansion of its operations or that the Enlarged Group's current personnel, systems, procedures and controls will be adequate to support the Enlarged Group's operations. Any failure of the Board to manage effectively the Enlarged Group's growth and development could have a material adverse effect on the Enlarged Group's business, financial condition and results of operations. There is no certainty that all or, indeed, any of the elements of the Enlarged Group's current strategy will develop as anticipated and that the Enlarged Group will be profitable.

2.22 The Group may be negatively impacted by the failure of its information technology and communications systems and related operational processes, including through cyber-attacks.

There can be no assurance that the Existing Group's or the Enlarged Group's IT systems are or will continue to be able to support the Group's business whether due to general or specific systems failure or through failure to develop in an adequate manner. While the Existing Group has in place business continuity procedures and security measures in the event of IT failures or disruption, including backup IT systems to reduce and contain the risk through the use of technical and assurance-based controls, there can be no guarantee that its systems in the future will continue to support all of the Enlarged Group's activities. Disruption to or failure of the Enlarged Group's IT systems could result in loss of business or damage to the Group's reputation, resulting in a material adverse effect on the Enlarged Group's reputation, business, financial condition and results of operations.

The Group's operations rely on the effective management and the secure processing, storage and transmission of financial, personal and other information in its information systems and networks. In addition, the use of computers and connected sensors is essential to the safe running of upstream production facilities.

The Enlarged Group may be the target of attempted cyber-attacks. While the Existing Group maintains systems and controls designed to detect and prevent such events from occurring, the Group may not be able to anticipate, detect or implement effective preventive measures against all cyber threats. Cyber-attacks can take many forms across a wide range of channels and their initiators can be varied, including opportunists, state-sponsored or, as a hydrocarbons producer, the Enlarged Group may be the target of "eco-hacktivists". Cyber-attacks are typically designed to deny service, obtain unauthorised access to confidential information, manipulate or destroy data, disrupt or destroy IT or production control systems or steal money. There have been in the past highly publicised cases where hackers have requested "ransom" payments in exchange for not disclosing customer information or for restoring access to information or systems, including systems critical to the day-to-day operations of the business. Cyber-attacks are increasingly sophisticated, rapidly evolving and may be far reaching and difficult to prevent and they may not be recognised until launched. Further, third parties may seek to gain access to the Group's systems either directly or using equipment or security passwords belonging to the Group's personnel or third-party service providers. If a cyber-attack or other information security breach were to occur, this could have a material adverse effect on the Group, including, the misappropriation of confidential information belonging to the Group, damage to the Group's computer systems infrastructure and production control systems, environmental damage, fines, penalties and other financial loss to the Group. The Group's reputation may also be adversely affected resulting in a loss of business opportunities. The Group may also become exposed to litigation and regulatory sanctions.

2.23 Emerging markets, such as Chad, Cameroon, Nigeria and Niger, are subject to greater risks than more developed markets.

Investing in securities of issuers whose operations and assets are located in emerging markets, such as Chad, Cameroon, Nigeria and Niger, can typically involve a higher degree of risk than investments in securities of corporate or sovereign issuers from more developed countries and carries risks that are not typically associated with investing in more mature markets. Investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Emerging markets can be subject to rapid change and the information set out in this document may become outdated relatively quickly.

Financial turmoil in an emerging market country can adversely affect companies operating within those markets, as investors move their money to more stable, developed markets. As has happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in any of Chad, Cameroon, Nigeria or Niger and adversely affect their economies. In addition, during such times of loss of market confidence, companies that operate in emerging markets can face severe liquidity constraints as foreign funding sources are withdrawn. In Nigeria, for example, there has been periodic issues with FX market liquidity as a result of macro-economic challenges.

As a result of the Enlarged Group's operations in Central and West Africa, it may be particularly susceptible to disruptions in the capital markets and the reduced availability of credit or increased cost of debt, which could result in it experiencing financial difficulty. In addition, the availability of credit to entities operating within emerging markets is significantly influenced by levels of investor confidence in such markets as a whole and thus any factors that impact market confidence (for example, a decrease in credit ratings, state or central bank intervention or foreign funding sources being withdrawn) could negatively affect the price or availability of funding to it.

Financial turmoil in any of the Company's host jurisdictions or the capital markets generally could adversely affect the Enlarged Group's business.

2.24 The judicial systems in which the Enlarged Group operates may create an uncertain environment for investment and business activity.

As with a number of developing countries, the legal systems of the countries in which the Enlarged Group operates continue to develop and mature. As a result, the Enlarged Group may become subject to certain difficulties in obtaining effective or consistent legal redress due to a number of factors out of its control. Such difficulties may include delay, the level of discretion that may be exercised by the courts or governmental authorities, insufficient judicial or administrative guidance on interpreting applicable rules and regulations, inconsistencies or conflicts between and within various existing laws, regulations, decrees, orders and resolutions and/or the relative inexperience of the judiciary and courts in commercial matters. In addition, the enforcement of laws or the Enlarged Group's statutory or contractual rights may depend on, and be subject to, the interpretation of, the relevant local authority, and such interpretation may differ from the advice given to the Enlarged Group by local lawyers and potentially result in unexpected outcomes. For example, there is no assurance that all contracts governed by international law and/or with the benefit of international arbitration dispute resolution procedures will be recognised or enforced by local courts in the host countries in which the Enlarged Group operates, or that the Enlarged Group would be successful in subjecting counterparties to the jurisdiction of another country.

It is possible that any adverse finding against the Enlarged Group, or any restriction placed on the Enlarged Group in exercising its contractual or statutory rights, could have a material adverse effect on the Enlarged Group's business, financial condition and/or prospects.

2.25 Actual and perceived risks of corruption may adversely affect the Enlarged Group's operations and ability to attract capital.

The Enlarged Group is subject to Compliance Laws, including the UK Bribery Act 2010 (the "Bribery Act"), the Foreign Corrupt Practices Act of 1977 ("FCPA") and other laws and regulations that prohibit companies and their intermediaries from making improper payments or offers of payments to foreign governments and their officials and political parties, or others for the purpose of obtaining or retaining business and other benefits. Nigeria, Niger, Chad and Cameroon are ranked 149, 123, 160 and 149 (respectively) out of 180 countries in Transparency International's 2020 Corruption Perceptions Index and placed 131, 132, 182 and 167 (respectively) out of 190 countries in the World Bank's Doing Business 2020 report.

By doing business in these countries, there is a risk that the Enlarged Group may face, directly or indirectly, corrupt demands by officials, militant groups or private entities. Consequently, the Enlarged Group faces the risk that one or more of the Enlarged Group's employees, agents, intermediaries or consultants may make or receive unauthorised payments given that such persons may not always

be subject to the Enlarged Group's control. In addition, it is possible that post-Completion the Enlarged Group could be held liable for successor liability for the violation of any Bribery Act, FCPA and/or other Compliance Laws committed (if any were to exist) by the Exxon Target Companies, PETRONAS Target Companies or the Pipeline Companies. Although the Enlarged Group has policies and procedures designed to ensure that the Enlarged Group, its employees, agents, intermediaries and consultants adhere to Compliance Laws and will implement policies and procedures with respect to all applicable Chad and Cameroon anti-corruption legislation, there is no assurance that such policies or procedures will work effectively all of the time or protect the Enlarged Group against liability under any such legislation for actions taken by our agents, employees, intermediaries and consultants with respect to the Enlarged Group's business. If the Enlarged Group is not in compliance with the Bribery Act, the FCPA or other Compliance Laws governing the conduct of business with Nigeria, Niger, Chad and Cameroon government entities (including local laws), the Enlarged Group may be subject to criminal and civil penalties and other remedial measures.

Furthermore, any remediation measures taken in response to potential or alleged violations of Compliance Laws, including any necessary changes or enhancements to the Enlarged Group's procedures, policies and controls and potential personnel changes and/or disciplinary actions, may result in increased compliance costs. Any such findings, or any alleged or actual involvement in corrupt practices or other illegal activities by the Enlarged Group or its commercial partners or anyone with whom the Enlarged Group conducts business could damage its reputation and its ability to do business, including by affecting the Enlarged Group's rights and title to assets or by the loss of key personnel, and together with any increased compliance costs, could adversely affect the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

There is concern in the oil and gas industry that, following the letter of the law, the Bribery Act prohibits certain practices which are not covered by (a) the FCPA, or (b) the anti-corruption legislation and regulations of the relevant host jurisdiction (to which the Enlarged Group is bound), but which are regarded as standard industry practice (for example, facilitation payments). It may not be possible for the Enlarged Group to detect or prevent every instance of fraud, bribery or corruption. Failure to detect or prevent any such instances may expose the Enlarged Group to potential civil or criminal penalties under relevant applicable law and to reputational damage, which may have a material adverse effect on the Enlarged Group's business, prospects, financial condition or results of operations.

2.26 Risk of crime and disruption to the Enlarged Group's operations.

Countries in Central and West Africa can experience high levels of criminal activity and oil and gas companies operating in Central and West Africa may be particular targets of criminal or terrorist actions. Criminal, corrupt or terrorist action against the Enlarged Group and its directly or indirectly held properties or facilities could have a material adverse effect on the Enlarged Group's business, results of operations or financial condition. In addition, the fear of criminal or terrorist actions against the Enlarged Group could have an adverse effect on the ability of the Enlarged Group adequately to staff and/or manage its operations or could substantially increase the costs of doing so. The Enlarged Group faces a threat of terrorism as a result of its proximity and accessibility to various regional Islamist insurgencies. Whilst these insurgencies have not impacted Savannah's operations historically, there can be no guarantee this continues to be the case in the future.

2.27 Licensing and other regulatory requirements.

The Enlarged Group's direct and/or indirect intended future operations will be subject to, licences, production sharing contracts, operating permits, regulations and approvals of governmental authorities for exploration, development, construction, operation, production, marketing, pricing, transportation and storage of oil, taxation, and environmental and health and safety matters. The Enlarged Group cannot guarantee that such documents applied for will be granted or, if granted, will not be subsequently withdrawn or made subject to possibly onerous conditions, or their availability to the Enlarged Group or its associated companies may adversely affect the Enlarged Group's assets, plans, targets and projections.

The Enlarged Group will be subject to extensive government laws and regulations (which may be subject to change) governing prices, taxes, royalties, allowable production, waste disposal, pollution

control and similar environmental laws, the export of oil and many other aspects of the oil business. There can be no assurance that the actions of present or future governments in which the Group operates, or of governments of other countries in which the Enlarged Group may operate in the future, will not materially adversely affect the Enlarged Group's ability to comply with such laws and regulations or that there will not be a challenge to the Enlarged Group's title to any interest it may have.

2.28 Expiry of contracts.

The Enlarged Group is party to various contracts and arrangements that will expire at points in time in the future in accordance with their terms. There can no assurance that such contracts will, if required, be renewed either on the same terms or otherwise.

2.29 The taxation and customs systems in the countries in which the Enlarged Group operates may be subject to change and the rules of those systems may be subject to different interpretation.

The Enlarged Group operates in emerging market economies and the regulations on, and laws relating to, taxation, customs and excise duties in these countries may change from time to time as considered necessary for its further development. The Enlarged Group's existing effective tax rate and revenues may be affected by changes in such policies, laws or regulation. The Enlarged Group has subsidiaries located in multiple jurisdictions and has relied upon external professional advice in relation to the applicable taxation regime in each jurisdiction. The Enlarged Group cannot be certain that this advice will ultimately prove to be correct. Furthermore, local tax authorities' interpretation of, and/or decisions with respect to applicable tax laws or regulations may differ from the Enlarged Group's interpretation of such laws or regulations. Such interpretations or decisions could result in additional tax becoming due or payable in the future by the Enlarged Group.

Changes in applicable policies on taxation, customs and excise duties, as well as differences in interpretation of and decisions relating to tax laws, may have an adverse effect on the Enlarged Group's business, results of operations, financial position and prospects.

2.30 Exchange rate fluctuations.

Currency fluctuations may affect the Enlarged Group's operating cashflow since certain of its costs and revenues are denominated in currencies other than Pounds Sterling, such as US Dollars, Euros, Naira, Central African CFA Franc and West African CFA Franc. Fluctuations in exchange rates between currencies in which the Enlarged Group operates may cause fluctuations in its cashflows and financial results (which are reported in US Dollars). In particular, under the terms of the Enlarged Group's gas sales agreements, which are US Dollar denominated, the customer has the option to settle in Naira at the relevant prevailing exchange rate immediately prior to settlement; therefore the Enlarged Group is exposed to any adverse exchange rate differential or movement in exchange rate in converting Naira back into US Dollars, for example, for servicing US Dollar denominated debt. Such exposure increases if local currencies like the Naira are not freely convertible into US Dollars or other hard currencies and there is a devaluation of the local currency. The Enlarged Group does not currently have a foreign currency hedging policy in place. Refer to paragraph 2.36 of this Part 3 for further information.

The Company's share price is quoted on AIM, a sub-market of the London Stock Exchange, in Pounds Sterling. As a consequence, shareholders may experience fluctuation in the market price of the Ordinary Shares as a result of, amongst other factors, movements in the exchange rate between Pounds Sterling, US Dollars, Euros, Naira, Central African CFA Franc and West African CFA Franc.

2.31 Insurance coverage and uninsured risks.

While the Board will determine appropriate insurance coverage from time to time, it may elect not to have insurance for certain risks due to the high premium costs associated with insuring those risks or for other reasons, including an assessment in some cases that the risks are remote.

No assurance can be given that the Enlarged Group will be able to obtain insurance coverage at reasonable rates or with reasonable deductibles (or at all), or that any coverage it or the relevant operator obtains or the proceeds of insurance claims will be adequate and available to cover any losses arising. The Enlarged Group may become subject to liability for pollution, blow-outs or other hazards against which it has not insured or cannot insure itself against, including those in respect of past activities for which it was not responsible. The Enlarged Group will exercise due care in the conduct of its business and obtain insurance prior to commencing operations in accordance with industry standards to cover certain of these risks and hazards. However, insurance is subject to deductibles and limitations on liability and, as a result, may not be sufficient to cover all of the Enlarged Group's losses. The occurrence of a significant event against which the Enlarged Group is not fully insured, or the insolvency of the insurer of such event, could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects. Any indemnities the Enlarged Group may receive from such parties may be difficult to enforce if such sub-contractors, operators or joint venture partners lack adequate resources. In the event that insurance coverage is not available or the Enlarged Group's insurance is insufficient to fully cover any losses, claims and/or liabilities incurred, or indemnities are difficult to enforce, the Enlarged Group's business and operations, financial results or financial position may be disrupted and adversely affected. Further, even where the Enlarged Group is insured, its contractors may themselves be insufficiently insured, or uninsured, in respect of damage they may cause to the Enlarged Group's property or operations. In such cases, the Enlarged Group may be required to incur additional costs to extend its cover to its contractors, from whom it may be unsuccessful in recovering such costs in full or at all.

The payment by the Enlarged Group's insurers of any insurance claims may result in increases in the premiums payable by the Enlarged Group for its insurance cover and adversely affect the Enlarged Group's financial performance. In the future, some or all of the Enlarged Group's insurance coverage may become unavailable or prohibitively expensive.

Operational insurance policies are usually placed in one-year contracts and the insurance market can withdraw cover for certain risks which can greatly increase the costs of risk transfer. Such increases are often driven by factors unrelated to the Enlarged Group such as well control elsewhere in the world and windstorm damage.

2.32 Litigation.

From time to time, the Existing Group has been or is, and the Enlarged Group may be, subject directly or indirectly to litigation arising out of its business and proposed operations. Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact the Enlarged Group's business, results of operations or financial condition. While the Enlarged Group assesses the merits of each lawsuit and defends itself accordingly, it may be required to incur significant expenses or devote significant resources to defending itself against such litigation. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Enlarged Group's business.

2.33 The ongoing COVID-19 pandemic could have a material adverse effect on the Enlarged Group's results of operations and financial condition.

The COVID-19 pandemic has had a negative impact on economic conditions globally and there remains concerns for prolonged economic uncertainty and tightening of global financial conditions as countries continue to experience extended waves of increased infection rates.

Although the Company is continuing to take measures to mitigate the broader public health risks associated with COVID-19 to its business and employees, including through self-isolation of employees where possible in line with the recommendations of relevant health authorities, the continued and long term adverse impact this may have on the Enlarged Group's workforce and key suppliers and its impact on the global economy (including the Chadian, Cameroonian, Nigerian and Nigerien economies) and the oil and gas industries is unknown. As a result of the ongoing COVID-19 pandemic, there may be short-term impacts on the Enlarged Group's supply chain and planned work programmes. Similarly, government-imposed travel restrictions may impair the ability of certain of the

Enlarged Group's employees and advisors to conduct physical inspections of existing operations and visit in-country offices.

As the impact of the COVID-19 pandemic continues, there can be no assurances that contract counterparties will not seek to renegotiate contractual terms or seek to claim force majeure to excuse performance of their contractual obligations to the extent that they are affected by the COVID-19 outbreak.

Given the continually evolving nature of the COVID-19 pandemic and resultant government restrictions around the world, there can be no assurances that there will not be a material adverse effect on the Enlarged Group's results of operations and financial condition.

2.34 Reliance on Third Party Service Providers and Contractors.

The Enlarged Group will rely on a relatively concentrated group of oil field services providers and contractors to provide materials and services across its existing operations and also in Chad and Cameroon. Any competitive pressures on the oilfield service providers (or increases in the cost of raw materials) could result in a substantial increase in the costs to conduct the Company's business. Similarly, shortages of raw materials could lead to delays in implementing projects and/or increases in costs which could adversely impact upon the operations of the Enlarged Group.

2.35 Debt Counterparty and Commercial Risk.

The Company is reliant upon debt providers to finance its operations and has entered into certain loan documentation to finance both the Exxon Acquisition and the PETRONAS Acquisition, and as the Company continues to grow, it expects to enter into further debt facilities in the future. The Company seeks to minimise counterparty and commercial risk when entering into such debt facilities, such as, for example, by retaining debt facility specialist employees and employing experienced professional advisors. However, there can be no guarantee that monies will be advanced under a facility due to circumstances outside of the Enlarged Group's control. This may result in the Enlarged Group being unable to finance its business as anticipated and require it to seek alternative funding sources which may or may not be available at the point in time such alternative finance is sought.

2.36 Hedging policy may prove ineffective at managing price risk.

The Company is expecting to establish a commodity hedging programme which could see up to 60 per cent. of forward production volumes associated with the assets being acquired pursuant to the Exxon Acquisition and the PETRONAS Acquisition being hedged for the forward 12 months. The Senior Lender under the Debt Financing may additionally request or require further hedging be undertaken at various times. The intention of the hedging policy is to minimise exposure to fluctuations in commodity prices through the use of various derivative based hedging instruments (most likely put options). No speculative hedging is anticipated to be undertaken.

While the Company will seek to only hedge its forward exposure through transactions with credit worthy parties, there can be no guarantee that such parties will prove credit worthy over time and therefore that the intended hedging program could be effective. Further, while the Enlarged Group has a clear intention to enter into hedging contracts, there can be no guarantee that it will be able to enter into appropriately priced hedging contracts and therefore that the hedging program would be entered into in full or at all.

2.37 Climate Change legislative changes.

The growing political attention surrounding climate change and legislative changes being seen could have adverse impacts on the success of the Enlarged Group. International agreements, national and regional legislation and regulatory measures to limit greenhouse emissions are currently in various stages of discussion or implementation. The Enlarged Group may be exposed to additional costs from compliance with legislation and best practice. The growing awareness amongst end consumers of climate change may also lead ultimately to diminished demand for oil and gas.

The Enlarged Group may be subject to climate related activism from groups who are campaigning against fossil fuel extraction which could negatively impact upon the Enlarged Group's business.

2.38 The Importance of maintaining a “social licence to operate” in host communities.

The Company operates an engagement policy with the communities in which it operates and provides benefits to these communities through employment, training and other local projects. Given the proximity of operations to communities, ongoing interaction is important to maintain the social licence to operate and the trust of the communities. Failure to maintain this relationship though could lead to disruption to our operations and the ability of the Company to execute its projects in a timely manner.

3 Risks associated with the Chad/Cameroon Assets and doing business in Chad and Cameroon

3.1 Production from the Doba Oil Project may be affected by unforeseen events including facilities and infrastructure failure and labour disputes.

The Doba Oil Project is in a remote location and has been on production since 2003 and, therefore, some of the production and storage facilities require increasingly regular maintenance and may be more susceptible to failure. The Doba Oil Project is also dependent on its workforce, comprising employees and contractors and the uninterrupted availability of certain critical infrastructure, including the oil field gathering stations, on-site power generation and the Chad-Cameroon ETS, to sustain production rates and to export the crude oil production to the international markets. Any labour disputes, unrest or strike activity involving the employees and contractors on the Doba Oil Project could adversely affect its ongoing operations. For example, in June, July and October 2021 the Doba Consortium experienced labour disputes which resulted in reduced production (which, to the extent of the EEPIC participating interest share in the Doba Oil Project, the Company has been compensated for through the consideration payment structure under the Exxon SPA).

The failure of any key infrastructure could result in some or all of the production from the Doba Oil Project being shut in, either temporarily or for a longer period of time whilst repairs are made, or replacement equipment is sourced and brought to location. All these factors could have a material adverse impact on the Enlarged Group's business results of operations, cashflows, financial condition and prospects.

For example, an incident occurred in early November 2021 at the Miandoum gathering Station (MGS), which affected the water handling system. Production from the Miandoum, Moundouli, Maikeri and Nya fields which are gathered at the MGS was temporarily shut-in and resumed in early December 2021. The operator of the project is currently implementing a solution to replace the water handling system at Miandoum, with the aim that production will ramp-up to pre-incident levels in the coming weeks.

The Company has been compensated for this temporary reduction in production through the consideration payment structure under the Exxon SPA.

3.2 The co-mingling of third-party crude oil may negatively affect the commercial value of the crude oil produced from the Doba Oil Project and impact the revenue of the Enlarged Group.

Crude oil produced from the Doba Oil Project and transported by the Chad-Cameroon Pipeline is commingled with the crude oil of other shippers, such that no shipper is entitled to receive the identical crude oil that was delivered on behalf of such shipper into the Chad-Cameroon Pipeline. From the Company's due diligence, it is understood that there is no quality bank agreement in place between the Pipeline Companies and the Shippers to provide for adjustments to be made to the respective lifting entitlements, to equitably account for quality differences in crude. Consequently, there is a risk that the quality and ensuing sales price of the Company's crude oil might be diminished by other shippers' crude oil.

3.3 The Enlarged Group will be reliant on the Chad-Cameroon Pipeline and Kome Kribi 1 FSO to export its production from the Doba Oil Project.

The Enlarged Group's route to market for its production from the Doba Oil Project will be dependent on transportation through the Chad-Cameroon Pipeline and offloading at the Kome Kribi 1 FSO for sale to international markets. There is no other viable alternative route to market for crude oil produced from the Doba Oil Project. If, for any reason, the Enlarged Group was not able to access the Chad-Cameroon Pipeline and Kome Kribi 1 FSO this could have a material adverse impact on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

3.4 The success of the Doba Oil Project and profitability of TOTCo and COTCo relies on the Enlarged Group's relationship and alignment with its joint venture partners and other shareholders.

After Completion of both the Exxon Acquisition and the PETRONAS Acquisition, the Enlarged Group would have a 75 per cent. operated interest in the Doba Oil Project and 70.34 per cent. and 70.83 per cent. interests respectively in TOTCo and COTCo, which collectively own the Chad-Cameroon ETS. The Doba Oil Project and Chad-Cameroon ETS are run and operated through a number of contracts governing the relationship between the: (i) joint venture partners to the Doba Consortium; and (ii) shareholders of TOTCo and COTCo. The Doba Oil Project is operated by EEPCL (and the day-to-day management and operations of TOTCo and COTCo is the responsibility of the General Managers, who (after completion of the Exxon Acquisition) will be appointed by EPIL and EEPCL). If either of the Exxon Acquisition or the PETRONAS Acquisition does not complete, the Enlarged Group will not have control of either TOTCo or COTCo and will not be in a position to single handedly pass or block board or shareholder resolutions, or, likewise, single handedly pass or block decisions under the Doba JOA. Furthermore, if the Exxon Acquisition does not complete, the Enlarged Group will not obtain operatorship of the Doba Oil Project or the right to appoint the General Managers of TOTCo or COTCo.

As is typical of these arrangements, there are certain material decisions which will require super majority approval of the other joint venture partners and shareholders (as applicable). Accordingly, any delay, absence of engagement, withholding of consent, breach, objections or disagreement by or with any of the joint venture partners or shareholders (as applicable) could adversely impact the success of the Doba Oil Project, profitability of TOTCo and COTCo and/or have a material adverse effect on the Enlarged Group's business, future cashflows, results of operations, financial condition and prospects.

3.5 The Enlarged Group has not maintained decommissioning arrangements and/or security funds.

The Board understands that:

- no security abandonment fund is currently in place, nor has EEPCL or PC Chad been separately reserving for future decommissioning obligations, in relation to the Doba Oil Project; and
- the Pipeline Companies have not been separately reserving the decommissioning contributions received from Shippers, which are made through an abandonment fee included in the tariff charged by the Pipeline Companies under the respective transportation agreements.

The Enlarged Group's valuation of the Exxon Acquisition and/or the PETRONAS Acquisition has been made on the basis that no such abandonment security funds are in existence. However, if such abandonment and decommissioning costs and expenses are higher than expected, or the Enlarged Group incurs penalties for failure to abandon and/or decommission its properties as required, this may adversely impact the Enlarged Group's business, prospects and/or financial condition.

Under the terms of the Midstream Conventions, the governments of Chad and Cameroon (respectively) have the right to acquire their respective portions of the Chad-Cameroon Pipeline following renunciation of the transportation authorisations by TOTCo and COTCo. If such rights are exercised, TOTCo and COTCo are not required to decommission the Chad-Cameroon Pipeline. The Enlarged Group would likely seek to exercise its shareholder rights (to the extent possible) in TOTCo

and COTCo in order to facilitate future discussions with the governments of Chad and Cameroon (respectively) on this issue when appropriate.

3.6 The profitability of TOTCo and COTCo is dependent on its third-party customers continuing to produce oil from their upstream operations.

The profitability of TOTCo and COTCo is wholly dependent on the revenues received from shippers utilising the Chad-Cameroon ETS. The tariff payments due to TOTCo and COTCo for transportation of crude oil under the Shipper Transportation Agreements are determined by usage and throughput rates, rather than on a capacity reservation basis. Consequently, TOTCo and COTCo's future revenues are dependent on the level of production from, and field life of, those fields operated by the existing Shippers and any new fields operated by new or existing Shippers who require access to the Chad-Cameroon ETS. Under the Shipper Transportation Agreements, the shippers are not obliged to make any minimum nominations, and consequently any shipper could nominate zero once it no longer requires transportation services through the Chad-Cameroon Pipeline (which could significantly impact the cashflow position of TOTCo and COTCo).

Given that the Chad-Cameroon ETS is presently the only economically viable transportation option to market each shipper's crude oil to the international market, the Enlarged Group's view is that the risk that the existing Shippers (and future shippers) will no longer require the transportation services of TOTCo and COTCo in the immediate to mid-term is low.

3.7 Any political instability and/or unrest may adversely impact the operation of the Chad/Cameroon Assets.

Any political instability and/or unrest in Chad and/or Cameroon has the potential to adversely impact the operation of the Chad/Cameroon Assets.

In Chad, there has been a period of political instability following the death of President Idriss Déby Itno on 20 April 2021, which led to the dissolution of the existing government. Although a transition government is now in place in Chad, there can be no guarantee that this political instability will not return and adversely impact the operation of the Chad/Cameroon Assets.

Since 2016, Cameroon has been subject to political instability in the North West and South West regions due to the Anglophone crisis. Although, to the best of the Board's knowledge, the Chad-Cameroon Pipeline infrastructure has not been subject to any terrorist activities to date, there can be no guarantee that this will continue to be the case in future.

3.8 Militant activity could destabilise oil production in Chad and/or Cameroon and adversely affect the Enlarged Group's operations and Chad's and/or Cameroon's economy.

3.8.1 Chad

Militant activity, violence and civil disturbances have, in the past, caused intermittent problems in Chad. In the recent past, the most prominent local rebel activity was essentially localised in the north of the Chad Territory and the related battles between the rebels and the army led notably to the death of Chad's then president, President Idriss Déby Itno, and the instability in-country due to presidential vacancy.

The Doba Oil Project and Chad-Cameroon Pipeline are located in Southern Chad and they have not been subjected to any militant activity. However, in spite of this fact and the Chadian government's efforts, unlawful acts may be directed at oil and gas industry participants and there is no assurance that militant acts will not occur in the future. In addition, any militant action against the Enlarged Group's assets or operations could result in significant damage to the environment, negatively impact its relationships with local communities and result in a temporary or permanent closure of all or part of those facilities.

The occurrence of any of the above could have a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

3.8.2 **Cameroon**

Although there has been unlawful and militant activities in the North West, South West and far North regions of Cameroon, the Board does not expect that it will affect the activities of the Enlarged Group in Cameroon.

3.9 **The governments of Chad and Cameroon have significant influence over their domestic oil and gas sectors, and their decisions and/or actions may directly or indirectly adversely impact the operations of the Enlarged Group in these countries.**

The governments of Chad and Cameroon play a significant role in regulating their respective oil and gas industries. Accordingly, any action or decisions taken by such governments concerning the oil and gas industry, or economy more generally, could have an unexpected and materially adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects. Such risks include expropriation or re-nationalisation, breach, abrogation or renegotiation of concession/project agreements, denials of required permits and approvals, changes in law or policy, increases in royalty rates and taxes and the application of exchange or capital controls.

There can be no assurance that, post-Completion of the Exxon Acquisition and/or the PETRONAS Acquisition, the Enlarged Group will be able to establish and maintain a supportive and cooperative relationship with either of the Chad and/or Cameroon governments.

3.10 **The Enlarged Group may have to contend with logistical and operational difficulties as a result of carrying out its operations in Chad and Cameroon.**

As with many emerging economies, access to, and the condition of, public infrastructure (including roads, bridges and utilities) across Chad and Cameroon is limited. There can be no assurance that the operations of the Exxon Target Companies, PETRONAS Target Companies and/or the Pipeline Companies will not be materially impacted due to the state of relative infancy and/or repair of such public infrastructure. To date, the majority of the infrastructure required for exploration, operations and transportation of production across the two countries has been privately constructed by the Doba Consortium and/or Pipeline Companies, and the operations of the Enlarged Group in Chad and Cameroon is dependent on it. Such private infrastructure requires substantial expenditure to build and maintain, and construction and repair work is often subject to delays.

3.11 **The Chad and Cameroon judicial system may create an uncertain environment for investment and business activity.**

The legal systems in Chad and Cameroon, as with many developing countries, continue to develop and mature.

As a result, the Enlarged Group may become subject to certain difficulties in obtaining effective or consistent legal redress due to a number of factors out of its control. Such difficulties may include delay, the level of discretion that may be exercised by the courts or governmental authorities, insufficient judicial or administrative guidance on interpreting applicable rules and regulations, inconsistencies or conflicts between and within various existing laws, regulations, decrees, orders and resolutions and/or the relative inexperience of the judiciary and courts in commercial matters. In addition, the enforcement of laws or the Enlarged Group's statutory or contractual rights may depend on, and be subject to the interpretation of, the relevant local authority, and such interpretation may differ from the advice given to the Enlarged Group by local lawyers and potentially result in unexpected outcomes. Any disputes arising under the Upstream Conventions or the Conventions of Establishment are subject to the exclusive jurisdiction of an ICC arbitral panel seated in Paris. Whilst Cameroon is a party to the New York Convention, Chad is not and therefore there can be no guarantee that an ICC award made against Chad for the benefit of the Company would be recognised or enforced by the Chadian courts. However, such an award could be enforced in any other New York Convention state. Similarly, whilst there is a bilateral investment treaty in force between Cameroon and the UK, there is no such bilateral investment treaty in force between Chad and the UK.

It is possible that any adverse finding against the Enlarged Group, or any restriction placed on the Enlarged Group in exercising its contractual or statutory rights, could have a material adverse effect on the Enlarged Group's business, financial condition and/or prospects.

3.12 EEPCI (as Operator of the Doba Consortium) is currently subject to a number of labour related claims

EEPCI is currently subject to a number of labour related litigation matters in the Chadian courts. The practice of claimants in Chad is often to bring vastly inflated and meritless claims against defendants and it appears to be the case that, even when claimants are successful in their claims, the amount of any award is significantly less than the amount claimed. To date, EEPCI's approach has been to rigorously contest all such claims brought against the Doba Consortium. The Company understands that the amount paid out by EEPCI (gross to all members of the Doba Consortium) during the six year period 2016 to 2021 was for an amount less than 1 per cent. of the total amount of claims currently being brought or threatened against EEPCI.

Following Completion of the Exxon Acquisition and PETRONAS Acquisition, there can be no certainty that EEPCI will be successful in its defence of all ongoing claims or any new claims brought against it. It is possible that claimants may seek seizure or freezing orders over its or Doba Consortium property or other injunctive remedies in support of their claims for damages. A successful claim by one or more claimants may have a materially adverse impact on the Enlarged Group's business, ability to operate or financial condition. However, the Company intends to continue EEPCI's ongoing approach to actively contest all existing (and any new) claims that it considers lack merit.

3.13 Potential effect of the CEMAC Forex Regulation.

Foreign exchange matters within the Economic and Monetary Community of Central Africa Countries (CEMAC) area are dealt with in Act N°2/18/CEMAC/UMAC/CM dated 21 December 2018 and applicable as from 1 March 2019 (the "CEMAC Forex Regulation"). The application of the CEMAC Forex Regulation to entities falling within the hydrocarbons and mining sectors (the "extractive companies") has however been postponed since 2019 but it is intended to come into full force and effect as of 1 January 2022. In the past two years, representatives of the hydrocarbons and mining industries have engaged in discussions with the Bank of Central African States (the "BEAC") and the CEMAC authorities to review the principles and related requirements enacted by the CEMAC Forex Regulations in the context of their operations. The outcome of these discussions resulted so far in the adoption of three separate instructions by the Governor of the BEAC on 13 December 2021 that apply to the extractive companies in connection with (a) the conditions and modality of opening and maintaining foreign currency accounts and (b) the domiciliation of the importation and exportation of goods and services. The CEMAC Forex Regulation as amended by the new instructions provides, *inter alia*, several new obligations for the extractive companies:

- the prior authorisation from the BEAC for opening and maintaining foreign currency accounts outside and within the CEMAC zone and in relation to any existing foreign currency accounts existing as of 13 December 2021, the extractive companies have a grace period of 10 months from 31 December 2021 to comply with the newly adopted relevant instruction;
- the prior declaration and the repatriation of any borrowings (principal, interests repayments) made to a resident entity by a non-resident;
- the prior authorisation from the BEAC for any loan from a resident to a non-resident in the CEMAC zone and the declaration and repatriation of any revenues (including any repayments) from such loan within the CEMAC zone;
- the domiciliation of all importations and exportation of goods or services with a local credit institution when the amount is at least XAF 10 million;
- the repatriation of any export revenues within the CEMAC zone within 150 days of receipt; and
- the declaration to the Central Bank and the ministry in charge of money and credit of all transfer exceeding XAF 100 million out of the CEMAC zone 30 days prior to their realization.

The CEMAC Forex Regulation is a regional cross-border regulation which, from a hierarchy of norms' perspective, supersedes and prevails on the national provisions of each country. The Company will,

following Completion of the Exxon Acquisition and PETRONAS Acquisition, review the structure of its operations in Chad and Cameroon to ensure compliance with the CEMAC Forex Regulation as amended and in particular once all regulations that are expected to be adopted by the CEMAC countries by the year end have been so adopted.

3.14 The taxation and customs systems in Chad and/or Cameroon may be subject to change and the rules of those systems may be subject to different interpretation.

Chad and Cameroon are both emerging market economies, and their policies and regulations on, and laws relating to, taxation, customs and excise duties may change from time to time as considered necessary for its further development.

More specifically, tax and customs rules usually evolve on an annual basis through annual finance laws, as considered necessary for further development and the realisation of their budgetary objectives.

Changes in applicable policies on taxation, customs and excise duties, as well as differences in interpretation of and decisions relating to tax laws, may have an adverse effect on the Enlarged Group's business, results of operations, financial position and prospects.

4. Risks associated with the Nigerian Assets and doing business in Nigeria

4.1 The Enlarged Group's future Nigerian cashflows depend on certain key end users and such key end users may fail to fulfil their contractual obligations to the Enlarged Group or the Enlarged Group could fail to obtain replacement customers.

The Enlarged Group has entered into four long-term take-or-pay gas sales agreements and one short-term interruptible gas sales agreement, and the Enlarged Group expects these five agreements will contribute a very significant portion of its future revenue. The inability of any of the key contractual counterparties to meet their obligations to the Enlarged Group or failure to make timely payments may affect the Enlarged Group's financial results, cashflows and ability to service its debt.

In the event that the Enlarged Group's existing customers do not fulfil their obligations under the respective gas sales agreements, or in the event that any of these entities become insolvent or subject to liquidation, the Enlarged Group may seek to enforce the terms of the agreements, including the NDPHC letter of credit and the World Bank Partial Risk Guarantee provided in respect of the Calabar NIPP gas sales agreement. There can be no assurance as to how long an enforcement action may take, or whether at the time of such enforcement, the relevant guarantor will be able to meet its obligations. In addition, in the event that any of the Enlarged Group's customers change ownership, the contractual obligations of that counterparty may transfer to the new owner and may expose the Enlarged Group to different payment and credit risks.

To the extent any of Accugas's material downstream customers breach or disavow their respective contracts with Accugas, there is a scarcity of potential new customers to contract with Accugas for the supply of gas on a similar scale to these existing customers. This may impact Accugas's ability to pay its creditors. Also, sales and transportation of the Enlarged Group's gas is dependent on pipelines and other infrastructure facilities enabling it to supply to customers, and new infrastructure might be required to be installed to re-route production to alternative or additional end users. Any requirement to install new infrastructure would require further capital expenditure by Accugas that may not be available.

In addition, the Upstream GSA, under which SEUGL sells gas from the Uquo Field to Accugas, is structured on a 'pay-when-paid' basis. Therefore, if Accugas's customers fail to pay or are late in paying Accugas, this may impact SEUGL's ability to pay its creditors.

The occurrence of any of these events could have a material adverse effect on the Enlarged Group's business, future cashflows, results of operations, financial condition and prospects.

4.2 A significant proportion of the Enlarged Group's cashflow is supported by the World Bank Partial Risk Guarantee.

A significant proportion of the Existing Group's cashflow, those arising under the Calabar GSA, is supported by the World Bank Partial Risk Guarantee, provided by the International Development Agency to Accugas, backed by a letter of credit.

Under the terms of the Partial Risk Guarantee and associated documents, the Federal Government of Nigeria has provided an indemnity to the International Development Agency in the event that Accugas have to call on the letter of credit. Accugas has historically experienced payment delays in respect of the supply of gas to Calabar NIPP and as at the date of this announcement US\$98.2 million is currently due under the Calabar GSA. The Company is working with NDPHC to settle this amount in a timely fashion without recourse to the Partial Risk Guarantee.

Under the terms of the Partial Risk Guarantee agreements, there is a risk that the International Development Agency could, after giving notice, suspend this guarantee and, ultimately, terminate the guarantee if Accugas does not comply with its terms. The Directors believe that the Enlarged Group has the policies and procedures in place to ensure compliance with the relevant representations, covenants and obligations, which largely relate to environmental and social practices and anti-bribery and corruption standards.

4.3 A significant proportion of the Enlarged Group's revenue is derived from the sale of gas to the Nigerian power sector.

The Nigerian power sector suffers from numerous problems, such as limited access to infrastructure, low connection rates, inadequate power generation capacity, lack of capital for investment, insufficient transmission and distribution facilities, high technical, commercial and collection losses and vandalism. These problems contributed to Nigeria ranking by the World Bank in 2020 as the 171st most difficult country in which to obtain access to electricity. These problems have created liquidity issues throughout the power value chain, from the distribution companies to the thermal power generating companies, which have resulted in delays in payments to the gas suppliers and dependence on financial assistance being provided to the sector from the Federal Government and the World Bank. Further reforms of the power sector are being proposed, but there is no guarantee that these reforms will be effective and so continued liquidity challenges for the sector could impact on the Enlarged Group's cashflows, financial condition and prospects.

4.4 There can be no certainty in relation to future levels of growth in Nigerian domestic demand for gas.

Whilst the Board believes that utilisation of domestic gas in Nigeria will be important in solving Nigeria's shortage of domestic power, the expected growth in demand for domestic gas may be less or slower than anticipated. In particular, if the Nigeria government's Gas Master Plan and Power Sector Recovery Program are not successful in promoting the development and utilisation of gas in Nigeria and improving electric power generation and supply, or if the Nigerian government decides to amend its stated policy so as to move away from domestic gas as a key component of tackling Nigeria's shortage of domestic energy, expected growth in demand for domestic gas could be materially impacted.

4.5 The Enlarged Group's upstream interests in Nigeria are concentrated on two oil and gas fields.

The Enlarged Group's upstream interests in Nigeria are concentrated on two oil and gas fields, namely the Uquo Field and the Stubb Creek Field. As a result, the Enlarged Group's success in Nigeria will be heavily reliant on it being able to continue to successfully exploit existing oil and/or natural gas reserves and/or maintaining valid legal title in these two fields. There can be no guarantee that the Enlarged Group can or will be able to, or that it will be commercially advantageous for the Enlarged Group to continue to exploit the Uquo Field and the Stubb Creek Field.

Furthermore, with both the Uquo Field and the Stubb Creek Field being located in South East Nigeria, the Enlarged Group's revenues may be impacted by issues generally affecting oil and gas operations in the region.

4.6 Operational impediments or damage to, or the shut-down of, processing and transport infrastructure may hinder the Enlarged Group's access to oil and gas markets or delay or cease production.

The Enlarged Group is reliant on the Uquo CPF and the Stubb Creek EPF to process natural gas and crude oil respectively and its pipeline infrastructure to transport gas and oil to its gas customers and to the oil the export terminal. Any sudden loss of, or significant interruption to, processing at the Uquo CPF or the Stubb Creek EPF, or the transportation of crude oil and/or natural gas through the pipelines that the Enlarged Group uses could result in an inability to meet gas contract obligations and to sell its oil production. In particular, a significant interruption to crude oil and/or natural gas processing at the Stubb Creek EPF or the Uquo CPF could occur if any essential piece of equipment for which the Enlarged Group lacks a replacement should break down for a substantial period of time or if multiple breakdowns were to occur at the same time. Furthermore, there can be no assurance that the Enlarged Group will be able to find a replacement or arrange necessary repairs on a timely or cost-effective basis.

The Enlarged Group may also be required to shut-in wells for regulatory reasons or due to a lack of demand or inadequacy or unavailability of a gas pipeline, gathering system or processing capacity. If a shut in were to occur, the Enlarged Group would be unable to realise revenue from those wells until suitable arrangements were made to transport and market that production.

Any significant delay, interruption or stoppage to the Enlarged Group's oil and gas operations could damage the Enlarged Group's relationships with one or more of its key customers, harm its reputation and cause the Enlarged Group to be liable for breach of contract for a failure to meet its contractual obligations.

The occurrence of any of these events could have a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

4.7 The Enlarged Group is, or could potentially in the future be, reliant on third-party owned or operated infrastructure for the transport of its oil and natural gas liquids from the Uquo Field and the Stubb Creek Field to export terminals.

The Enlarged Group is reliant on certain joint-venture owned or third party operated infrastructure for its oil and gas operations, in particular the transportation of Uquo and Stubb Creek oil and natural gas liquids (or condensate) sold through QIT for export. The Enlarged Group's oil and condensate volumes are stabilised through the FUN Manifold, which is jointly owned by the Uquo JV, the Stubb Creek JV and a third-party joint venture.

The inadequacy or unavailability of such oil and condensate pipeline capacity and infrastructure, and/or the necessary licences to operate and export, could require the Enlarged Group to shut-in wells, leading to the Enlarged Group being unable to realise revenues from sales of oil and gas from those wells until suitable alternative transportation arrangements can be made.

Accugas also uses third-party owned and operated gas transportation pipelines to access other customers and gas markets in the region and will do so in the future in order for Accugas to access new customers and markets.

4.8 The Enlarged Group's operations in marginal fields are subject to indigenous ownership restrictions.

The Uquo Field and the Stubb Creek Field are subject to the rules and requirements of the Marginal Field Guidelines, which govern Nigeria's marginal field programme. The Marginal Field Guidelines provide, among other things, that marginal fields may only be awarded to, and operated by, indigenous companies that are "substantially Nigerian". Furthermore, in 2014 the DPR issued

guidelines for obtaining ministerial consent to the assignment of interests in Oil and Gas assets in Nigeria. The guidelines provide that the total interest assignable to a foreign entity in a marginal oil field in Nigeria shall not exceed 49 per cent. of the total overall interest in the asset.

Following the recent enactment of the PIA in 2021, the interpretation of the Marginal Field Guidelines will now be carried out by the Commission (the newly-formed Nigerian upstream regulatory authority that has replaced the DPR). Although the Directors believe that the current ownership structures of both the Stubb Creek Field and the Uquo Field satisfy the “substantially Nigerian” requirement, to the extent the Commission changes its policy in this regard or the ownership structure changes due to changes in the Enlarged Group or its joint venture partners in the relevant field, there is a risk that the Company and its respective joint venture partners could be forced to relinquish their interest in these assets.

4.9 The Enlarged Group has not maintained decommissioning arrangements and/or security in respect of the Uquo Field and the Stubb Creek Field.

By the provisions of the PIA, it is now a statutory obligation for the Enlarged Group to make adequate provisions for and establish a Decommissioning and Abandonment Fund with the funds to be set aside in escrow and funded on a straight-line basis over the remaining economic life of the Uquo Field and Stubb Creek Field. The Enlarged Group is required to submit the Decommissioning plans to the regulator within 12 months of the PIA becoming effective.

Under the terms of the Enlarged Group’s existing contractual arrangements with respect to the Uquo Field and the Stubb Creek Field, the Enlarged Group and its joint venture partners in such fields are obliged to maintain certain decommissioning arrangements/security in respect of potential future decommissioning liabilities. To date, and in line with a number of other operators of marginal fields, these provisions have not been strictly enforced and such decommissioning arrangements/security arrangements have not been put in place. If a notice of breach were received in respect of these decommissioning arrangements/security arrangements then each of the contracts allow a 90-day period in order to remedy the breach, which may be achieved by making the relevant payments into escrow.

4.10 The Enlarged Group is subject to risks involving third party operators, contract counterparties, partners and other project participants. Furthermore, disagreements with, or the exercise of termination rights by, any of the Enlarged Group’s partners or contract counterparties may result in delays, losses or additional costs to the Enlarged Group.

Both the Enlarged Group and its partners are obliged to comply with the requirements of the applicable contracts, joint operating agreements, farm-out agreements and other arrangements governing their respective relationships.

Co-operation and agreement among project participants on existing or future projects is important for the smooth operation and financial success of such projects and if one or more project participants were to fail to cooperate, it may delay or disrupt existing or future projects. Further, operators, partners and other project participants that own interests in assets in which the Enlarged Group has interests may have economic or business interests or objectives that are inconsistent or conflict with those of the Enlarged Group and may elect not to participate in certain activities relating to those assets or withhold their consent in circumstances when their consent is required, which may limit the ability of the Enlarged Group and other interest holders to explore, appraise or develop such assets as planned.

Although the Stubb Creek Field is operated by Universal, the joint operating agreement in respect of the Stubb Creek Field requires decisions of the project management committee to be made jointly, thereby requiring both the Enlarged Group and Sinopec to vote in favour of key decisions of the project management committee (save for non-associated gas developments in respect of which Universal has the casting vote). Sinopec is currently required to provide 80 per cent. of funding in relation to crude oil and associated natural gas developments pursuant to the terms of the joint operating agreement in respect of the Stubb Creek Field. There is a risk that Sinopec may not vote in favour of oil development plans for the Stubb Creek Field. The Enlarged Group may suffer unexpected costs or other losses if Sinopec or any future partner does not meet its obligations. For example, other participants may experience financial or other difficulties or otherwise default on their obligations to meet capital or other funding obligations in relation to assets in which the Enlarged

Group has interests. Furthermore, any failure by a third-party operator or the Enlarged Group to carry out its obligations with respect to a field could put the licence for that asset at risk.

In addition, certain of the Enlarged Group's contractual arrangements may permit the counterparty to terminate the relationship under certain circumstances. Any loss of a third-party operator (and any resulting loss of the licence to the field operated by such operator) or partner could also impact the Enlarged Group's ability to develop the field in accordance with the development plans, or at all, which could impact oil and gas production at a given field and could lead to the Enlarged Group being unable to deliver gas to customers in accordance with its contractual obligations. This, in turn, could impact the revenues earned by the Enlarged Group with respect to the field. Furthermore, contract counterparties may seek to renegotiate contractual terms in the event of changes in their business or operating environment, economic hardship or financial distress. In such circumstances, the Enlarged Group may have to resort to legal process to enforce its contractual rights and such processes can be time consuming and costly and could result in an adverse outcome for the Enlarged Group.

The occurrence of any of the above could have a material adverse effect on the Enlarged Group's business, results of operation, financial condition and prospects.

4.11 Deferred payments to Frontier.

As part of the FOL Transaction and pursuant to the terms of the agreement with Frontier, SEUGL is required to pay Frontier a deferred cash call equal to the Naira equivalent of US\$4.13 million. Failure by SEUGL to pay Frontier the deferred cash call will give rise to the right for Frontier to require SEUGL to transfer a portion of its economic interest in the Uquo Gas Project as a default remedy.

4.12 Revenue recognition under take-or-pay gas sales agreements.

The Enlarged Group may be in position to deliver contracted gas volumes when its customers are not ready or able to receive those volumes. The take-or-pay provisions in the gas sales agreements bind the purchaser to pay for certain quantities of gas even when undelivered, from the date on which the gas is available for delivery. However, title to gas sold only passes on the date of delivery and, as the risk of ownership only transfers upon delivery, revenue from the sale of the gas is recognised only on a delivered basis. In circumstances which the Enlarged Group receives payments pursuant to take-or-pay provisions and gas is not delivered to the contractual counterparties, the Enlarged Group is unable to recognise this income as revenue for accounting purposes and instead accrues it as deferred revenue.

4.13 The Enlarged Group may attract spurious claims and media coverage and is therefore subject to reputation risk.

Prominent businesses operating in Nigeria can attract significant attention from the Nigerian media, which can be of an adverse nature. Such media coverage can often be spurious and/or politically motivated, putting forward allegations which are unfounded due to the limited nature of the country's libel laws.

The Enlarged Group has been subject to spurious litigation in the past and there can be no assurance that other negative publicity relating to the Enlarged Group will not arise and harm Savannah's reputation with its operating partners, other project participants, existing customers (some of whom are state-owned), prospective customers, regulators, suppliers, host communities, the wider Nigerian oil and gas industry, lenders and shareholders, regardless of the inaccuracy of, or lack of grounds for, any such negative publicity. Any such damage to the Enlarged Group's reputation could have a material adverse effect on its business, results of operations, financial condition and prospects and could have a material adverse effect on the prevailing market price of the Ordinary Shares.

Other proceedings have been brought against members of the Seven Group which Savannah did not acquire. Although these proceedings have not been brought in relation to companies within the Enlarged Group, there is a residual risk that claimants may attempt to extend their claims to the Enlarged Group.

4.14 There is a risk that the Enlarged Group could be held liable for successor liability for violations of Compliance Laws.

It is possible that the Enlarged Group could be held liable for successor liability for violations of Compliance Laws, if such violations have been committed in the past by companies within the Seven Group, or by their employees, directors, representatives or agents, in relation to the Nigerian Assets. There have, in the past, been allegations and investigations into companies in the Seven Group which are not included in the Nigerian Assets and did not relate to the Nigerian Assets. It is the Company's belief that none of these investigations are ongoing in Nigeria and there are no other investigations ongoing in relation to companies in the Nigerian Assets in any other jurisdiction. In addition, the Company's due diligence did not find any evidence of violations of Compliance Laws by the Seven Group or such persons or in relation to the Nigerian Assets. However, there remains a risk that the Company's due diligence may not have identified all issues which may have occurred over the life and in all aspects of the business of the Seven Group. The Company may also be negatively impacted if, in the future, allegations or investigations were to suggest violations of Compliance Laws had occurred in the past in relation to the Seven Group and/or the Nigerian Assets, whether or not such allegations or investigations were founded in fact.

4.15 The Enlarged Group must manage logistical and operational difficulties as a result of carrying out its operations in Nigeria.

The Enlarged Group must manage logistical and operational difficulties as a result of carrying out operations in Nigeria. Persistent problems with power generation, transmission and distribution, a deteriorating and congested road network, congested ports and obsolete rail infrastructure have severely constrained socio-economic development in Nigeria.

Moreover, infrastructure in South Eastern Nigeria is limited and unreliable. Rail and road infrastructure is relatively limited and restricts the movement of people and goods within those regions thereby increasing the time it takes to mobilise workforces and deliver supplies or equipment. The lack of reliable infrastructure also limits the Enlarged Group's ability (and that of its partners, contractors, customers and suppliers) to respond quickly to unforeseen situations, which can lead to delays and production stoppages.

4.16 South East Nigeria periodically experiences adverse weather conditions and natural disasters.

South East Nigeria, in which the Uquo Field and Stubb Creek Field are both based, periodically experiences adverse weather conditions and natural disasters, mainly in the form of floods, which further limits the use of available infrastructure, particularly during the rainy season (March to November), and increases the likelihood of disruption during that part of year. In addition, flooding in the Niger Delta has also led to outbreaks of disease which, coupled with the ongoing security concerns in relation to the region (see paragraphs 4.21 and 4.22 of this Part 3), may affect the Enlarged Group's ability to staff its operations with qualified Nigerian and overseas individuals if such individuals were deterred from relocating to the Niger Delta, or to Nigeria more generally, as a result of health or security concerns.

4.17 The Nigerian economy is dependent on oil production in Nigeria and global prices of oil.

The Nigerian economy is highly dependent on oil production in Nigeria and global prices of oil. Reductions in oil revenues could have a material adverse effect on the Nigerian economy, and in turn on the Enlarged Group's business and results of operations. The Nigerian government relies heavily on oil revenue to fund its budget and the decline in prices has resulted in a high rate of unemployment, reduction in foreign exchange and government revenue, as well as significant budgetary constraints, leading to less investment in key projects such as infrastructure.

4.18 The Nigerian government has significant influence over, and dependency upon, Nigeria's oil and gas industry, exposing the Enlarged Group to adverse sovereign action by the Nigerian government.

According to the IMF, oil and natural gas export revenue, which was estimated at US\$65 billion in 2019, has accounted for 48 per cent. of Nigeria's total government revenue on average between 2010 to 2019. Oil and natural gas revenue has been the country's main source of foreign exchange, making up more than 93 per cent. of Nigeria's total exports to the world within this period.

The Nigerian government's ownership of Nigeria's mineral wealth is reinforced by an array of laws and regulations, including the Petroleum Act and the Petroleum Investment Act. As a consequence, the Nigerian government plays a key role in determining the extent to which anyone participates in the Nigerian oil and gas industry. There can be no assurance that the Enlarged Group will continue to benefit from the support of the Nigerian government, which could have a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

Accordingly, petroleum companies in Nigeria face the risks of expropriation or re-nationalisation, breach or abrogation of project agreements, application to such companies of laws and regulations from which they were intended to be exempt, denials of required permits and approvals, increases in royalty rates and taxes that were intended to be stable, application of exchange or capital controls, and other risks. Possible future changes in the Nigerian government, major policy shifts or increased security arrangements in Nigeria could have, to varying degrees, a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

4.19 Production of oil in Nigeria may be impacted by OPEC and other production quotas.

Nigeria is a member of OPEC, which, from time to time constrains its members' ability to produce oil through the imposition of production quotas. NNPC allocates production quotas among oil producers based on the aggregate technical production limits of all producing wells, which are negotiated between the producer and the Nigerian government. In the event that technical production exceeds Nigeria's OPEC quota, the quota is allocated to the producers on a *pro rata* basis based on their respective technical production levels. If production allocations are exceeded, it is possible to apply for additional quotas from the Nigerian government, but there can be no assurance that the additional quotas will be granted. Nigeria also has the power to implement export quotas. As a result, the Enlarged Group may be constrained in exporting oil through such quotas in the future, which could have a material adverse effect on the Enlarged Group's business, prospects, results of operations, cashflows, financial condition and prospects.

4.20 Local content legislation in Nigeria may impact upon the Enlarged Group's ability to recruit suitably qualified individuals.

The Nigerian Local Content Act, which was enacted in April 2010, provides a framework for increasing Nigerian participation in all sectors of the Nigerian oil and gas industry. The Local Content Act prescribes minimum thresholds for Nigerian participation in oil and gas activities and also impacts the day-to-day management of companies operating in the oil and gas industry by imposing requirements concerning, among others, the use and involvement of Nigerian labour in their operations. This may adversely impact on the Enlarged Group's ability to hire suitably qualified persons and, consequently, the costs of the Enlarged Group's operations in Nigeria.

4.21 Political instability, religious differences, ethnicity, regionalism and internal security in Nigeria pose risks that impact Nigerian oil and gas production.

Following the adoption of a new presidential constitution in May 1999, Nigeria is experiencing its longest period of civilian rule since obtaining independence from the United Kingdom in 1960. Political tensions and incidents, including civil unrest, have been seen around the time of, or leading up to, previous elections held in Nigeria, and there can be no assurance that similar incidents will not take place in relation to future elections. In the past, results of elections in Nigeria have been subject to criticism by both opposition candidates and international election observers. Further, if there are allegations of fraud or other irregularities in connection with the presidential elections and such

allegations are not properly handled in an orderly manner, such allegations may undermine the legitimacy of the new administration.

The outcome of future elections, the next one of which is currently due in 2023, may have a significant impact on Nigeria's political stability and may adversely affect its economy, and no assurance can be given that the reforms and policies that are proposed or taking place will continue. Any post-election administration may pursue different policies and priorities, alter or reverse certain reforms or take actions (including a highly unlikely expropriation or nationalisation (which in any case is required to be with adequate compensation), breach or abrogation of project agreements) that make domestic and foreign investment in Nigeria less attractive or lead to protests, violence or other unrest. Any significant changes in the political climate in Nigeria, including changes affecting the stability of the Nigerian Government or involving a rejection, reversal or significant modification of policies, favouring the privatisation of state-owned enterprises, reforms in the power, banking or oil and gas sectors, may have negative effects on the economy, government revenues or foreign reserves and, as a result, a material adverse effect on the Enlarged Group's business, results of operations, financial condition and prospects.

Religious differences, particularly between the mainly Muslim North and broadly Christian South, pose additional risks to the stability of Nigeria and the political landscape. Certain Northern states have adopted Sharia law since the return to civilian rule in 1999, which has resulted in further alienation of the Christian minorities in these states. Hundreds of lives have been lost in a series of terrorist attacks, primarily by way of bombings carried out by religious militia groups against both civilians and state institutions. In addition, religious militia groups have carried out armed attacks and kidnappings against foreigners working in Nigeria.

Furthermore, Boko Haram, a militant Islamist group operating in northern Nigeria, has become increasingly active engaging in mass kidnappings, raids on villages with high fatalities and cross border attacks in Cameroon. Suspected members of the Boko Haram have reportedly conducted kidnappings and attacks in the North Eastern part of the country and the Federal Capital Territory.

While terrorist attacks linked to religious and/or ethnic differences have in the past primarily been carried out in the north of the country, no assurances can be given that such violence will not spread to southern Nigeria where the Enlarged Group's operations are based. These conflicts may adversely affect Nigeria's political stability which may, in turn, affect the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

4.22 Militant and unlawful activity could destabilise oil production in Nigeria and adversely affect the Enlarged Group's operations and Nigeria's economy.

Militant and unlawful activity, violence and civil disturbances have, in the past, caused intermittent problems in the Niger Delta. Various militant groups have conducted guerrilla attacks on crude oil pipelines and other related infrastructure, kidnapping oil and gas workers for ransom and generally disrupting the activities of oil and gas companies with operations in the Niger Delta, and more broadly throughout Nigeria. Militant and unlawful activity has, in the past, resulted in companies being forced to decrease production or to even consider ceasing their operations in Nigeria as a result of attacks on, or threats to, their operations and staff.

There is a risk that, in the future, and in spite of the Nigerian government's efforts (which have included offering an amnesty to militants who surrender their weapons), militant acts in the Niger Delta may continue to be directed at oil and gas industry participants and there is no assurance that militant acts will not occur in the future.

If the Enlarged Group, its employees or employees of its operating partners is the subject of any attacks, kidnappings or other security threats, the Enlarged Group's operations and production of oil and gas in the Niger Delta could be materially adversely affected. Unrest in the Niger Delta region may lead to lower Nigerian oil and gas production, deter foreign direct investment, lead IOCs to curtail their operations in Nigeria or lead to increased political instability and unrest, and such unrest could have a material adverse effect on Nigeria's economy. The fear of militant attacks could have an adverse effect on the Enlarged Group's ability to adequately staff and/or manage its operations and could substantively increase the costs of doing so. In addition, any militant action against the Enlarged

Group's assets or operations could result in significant damage to the environment, negatively impact its relationships with local communities and result in a temporary or permanent closure of all or part of those facilities.

The occurrence of any of the above could have a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

4.23 The Enlarged Group may be subject to currency controls which may limit its ability to service US Dollar denominated debt, to transfer funds out of country, to attract appropriately skilled staff or to purchase required services.

The Nigerian Government has imposed foreign exchange restrictions to control the flow of US Dollars in and out of the country. The controls prohibit the use of currencies other than the Naira as a means of payment for certain items. The imposition of foreign exchange controls may have an adverse effect on the Enlarged Group's ability to convert Naira into US Dollars to service US Dollar denominated debt, to transfer funds out of country and to attract and retain appropriately skilled staff and pay for required services in Nigeria. The occurrence of any of the above could have a material adverse effect on the Enlarged Group's business, results of operations, cashflows, financial condition and prospects.

4.24 Importance of maintaining good title to licence interests.

The Enlarged Group's right to explore and exploit its licence interests and Accugas's ability to operate the Accugas Midstream Business is reliant on the establishment and maintenance of good title to the licence interests both entities purport to hold including, in particular, any licence fees that become due. Whilst the Enlarged Group seeks to ensure that it has good title to the participating interests that it owns, it cannot completely eliminate the risk of future title disputes or challenges. A successful challenge to the Enlarged Group's title to assets may result in the Enlarged Group being required to halt development or production or operations or, ultimately, in the loss of such assets.

4.25 Foreign subsidiaries.

The ability of the Company's subsidiaries to make payments to the Company may be constrained by, among other things, the level of taxation, particularly in relation to corporate profits and withholding taxes, in the jurisdiction in which any other Group company operates, and the introduction of exchange controls or repatriation restrictions or the availability of hard currency to be repatriated.

4.26 The Nigerian judicial system may create an uncertain environment for investment and business activity.

Nigerian law is predicated on the common law system, with its roots being derived from the English legal system.

The Nigerian legal system continues to develop but faces a number of challenges including delays in the judicial process, as most cases, even spurious claims, take a considerable period of time to be concluded. As a result, obtaining effective legal redress may be delayed and there is a high degree of uncertainty due to some level of discretion that may be exercised by the courts. There is also a lack of judicial or administrative guidance on interpreting applicable rules and regulations, inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions and relative inexperience of the judiciary and courts in commercial matters. However, recent years have witnessed considerable reform of the judiciary, especially in Lagos State with the setting up of commercial courts and the introduction of new rules to cut down on delays in the judicial process.

The slow judicial process may sometimes affect the enforceability of judgments obtained. In addition, the enforcement of laws may depend on, and be subject to the interpretation of, the relevant local authority, and such interpretation may differ from the advice given to the Enlarged Group by local lawyers.

There can be no assurance that contracts, joint ventures, licenses, license applications or other legal arrangements will not be adversely affected by the actions of Nigerian government authorities and the effectiveness and enforcement of such arrangements in Nigeria. A number of the asset and joint venture documents to which we are a party are not standard form documents, which makes interpretation of disputed provisions less certain. These and other issues arising out of Nigeria's legal system subject the Enlarged Group's business to greater risks and uncertainties than if the Enlarged Group's operations were conducted in jurisdictions with a more mature legal system.

4.27 Nigeria is a federal state, and the Enlarged Group's operations are located across two states, exposing the Enlarged Group to varying, potentially adverse, state and local government policies.

The Enlarged Group's operations are located across two states of Nigeria, both of which have their own governments. Within those states, there are multiple local government authorities within the Enlarged Group's areas of operation. In addition, the Enlarged Group presently contracts with certain state-owned entities, such as Ibom Power, which is owned by Akwa Ibom State. Each of these states has a varying political dynamic. Political changes at the state and local level can affect the Enlarged Group's contracts with these local governments or entities they own or control, including the potential risk of expropriation. While the powers of the various tiers of government to levy and collect taxes are set forth in the Nigerian constitution, it is not unusual for state and local government agencies to seek to levy and collect taxes that they are not constitutionally authorised to levy and collect. These factors, combined with potential conflicts between federal, state and local governments, could have a material adverse effect on the Enlarged Group's business, results of operations, financial position, cashflows and prospects.

5. Risks associated with the Niger Assets and doing business in Niger

5.1 Licensing and other regulatory requirements in Niger.

The Nigerian Government owns the country's mineral Resources and grants hydrocarbon exploration and production rights under fixed term production sharing contracts, which can be renewed in accordance with their terms. It therefore retains control over the exploration and exploitation of hydrocarbon Reserves. Any adverse changes in the Nigerian Government's policy with respect to the oil and gas industry, including any which may occur following the proposed review of the current Petroleum Code, may adversely impact the interests of the Enlarged Group.

The new PSC covering the R1, R2, R3 and R4 areas, named the R1234 PSC, has been approved by the Minister of Petroleum, Energy and Renewables Energies and the Niger Council of Ministers through a decree. Savannah Niger is now liable to pay a signature bonus, which constitutes a condition precedent for the entry into force of the R1234 PSC. Unless and until all conditions precedent are met, including the signature bonus paid by Savannah, Savannah is limited in its ability to carry out activities in the R1234 PSC area and there is a risk that the new R1234 PSC will not be awarded.

Exploration and development activities in developing countries may require protracted negotiations with host governments, national oil companies and third parties and may be subject to economic and political risks and expropriation, nationalisation or renegotiation of existing contracts. The two main protections granted to Savannah under the R1234 PSC are (1) the stability of the legislation and the terms agreed under the R1234 PSC and the commitment that the Nigerian Government shall never (a) directly or consequently increase the obligations and responsibilities imposed on Savannah Niger nor (b) infringe the latter's economic rights and advantages resulting from Law of 2017 and the R1234 PSC, without Savannah's prior consent, and (2) (a) a conciliation procedure which shall ultimately be resolved by means of arbitration conducted in accordance with the Arbitration Rules of the International Centre for Settlement of Investment Disputes (ICSID Rules) in accordance with the Convention on the settlement of investment disputes between States and nationals of other States, the "Washington Convention", and (b) an arbitration procedure for any dispute which cannot be settled amicably. The R1234 PSC provides that the dispute shall be resolved in accordance with its provisions, the provisions of the petroleum legislation in force at the date of entry into force of the R1234 PSC, the provisions of laws in force at the signature date of the R1234 PSC other than the petroleum laws and social and environmental laws, as well as the provisions of international law

applicable in the area. The R1234 PSC specifically provides for any such arbitration to be heard in Paris, France.

5.2 Title matters and payment obligations.

Although the Savannah PSC, and various international treaties to which Savannah Niger is a signatory, offers strong protection to the Enlarged Group, an unforeseen defect in title, changes in law (or interpretations thereof), regulatory consents or political events may arise or occur to defeat or impair the claim of the Enlarged Group to some or all of the rights in properties which it currently owns or is interested or may acquire which could result in a material adverse effect on the Enlarged Group, including a reduction in any revenues generated.

5.3 Early stage of operations.

The Enlarged Group's operations in Niger are at an early stage of development and future success will depend, *inter alia*, on the Directors' ability to successfully manage and exploit the current asset portfolio and to take advantage of further opportunities which may arise. There can be no guarantee that the Enlarged Group can or will be able to, or that it will be commercially advantageous for the Enlarged Group to, develop its Nigerien assets.

Further, the Enlarged Group's future success in developing the existing discoveries and making additional discoveries of oil and/or natural gas, is dependent on accessing the appropriate sources of future funding, including, but not limited to, equity markets and bank debt. Whilst the Directors are optimistic about the Enlarged Group's prospects in Niger, there is no certainty that sustainable revenue streams and sustainable profitability will be achieved.

The Enlarged Group's business plan to exploit and commercialise its Nigerien assets will require significant capital expenditure for the identification, acquisition, appraisal, exploration, development and production of oil and gas resources and/or reserves in the future. The Enlarged Group's inability to access sufficient capital for its operations may have a material adverse effect on its business, financial condition, results of operations and prospects.

5.4 Foreign subsidiaries.

The Enlarged Group conducts most of its operations in Niger through its subsidiary, Savannah Niger, which is located outside of the United Kingdom. At the point of production commencement, the ability of Savannah Niger to make payments to the Company may be constrained by, among other things, the level of taxation, particularly in relation to corporate profits and withholding taxes, in the jurisdiction in which it or any other Group company operates, and the introduction of exchange controls or repatriation restrictions or the availability of hard currency to be repatriated.

5.5 Exchange controls in Niger.

Savannah Niger is subject to the common foreign exchange regime provided for by Regulation N°09/2010/CM/UEMOA relating to external financial relations of the WAEMU member States dated October 01, 2010 (the "WAEMU Foreign Exchange Regulation"), which, *inter alia*, may restrict the flow of funds out of country.

5.6 Oil exploration and production in Niger and the sale of such production depends on adequate infrastructure.

Reliable roads, bridges, power sources and water supplies are important determinants which affect capital and operating costs. Generally speaking, Niger suffers from underdeveloped infrastructure, communication problems (particularly internet access), energy shortages and high energy costs. Inadequate infrastructure could impact the Enlarged Group's plans in Niger and could have an adverse impact on the Enlarged Group's business and prospects.

5.7 Interruptions in availability of exploration, production or supply infrastructure in Niger.

The Enlarged Group may suffer, indirectly, from delays or interruptions due to lack of availability of drilling rigs or construction of infrastructure, including pipelines, storage tanks and other facilities, which may adversely impact the operations and could lead to fines, penalties, criminal sanctions against the Enlarged Group and/or its officers or its current or future licences or interests being terminated. Despite assurances given by the Nigerien Government in the Savannah PSC, there is the risk of delays in obtaining licences, permissions and approvals required by the Enlarged Group or its partners in the pursuance of its business objectives which could likewise have a material adverse impact on the Enlarged Group's business and the results of its operations.

5.8 Failure to meet contractual work commitments may lead to penalties.

The Enlarged Group is subject to contractual work commitments, including those specified within the Savannah PSC, which includes a minimum work programme to be fulfilled within certain time restraints. Specifically, these commitments may cover certain depths of wells to be drilled, seismic surveys to be performed and other data acquisition. Failure to comply with such obligations, whether inadvertent or otherwise, may lead to fines, penalties, restrictions and withdrawal of licences with consequent material adverse effects.

5.9 Political, economic, fiscal, legal, regulatory and social environment risk.

The Enlarged Group's interests in Niger are likely to be exposed to political, economic, fiscal, legal, regulatory and social environment risk. The Enlarged Group's business will involve a high degree of risk which a combination of experience, knowledge and careful evaluation may not overcome. These risks include, but are not limited to, corruption, civil strife or labour unrest, armed conflict, terrorism, limitations or price controls on oil exports, and limitations or the imposition of tariffs or duties on imports of certain goods. If the existing body of laws and regulations in Niger is interpreted or applied, or relevant discretions exercised, in an inconsistent manner by the courts or applicable regulatory bodies, this could result in ambiguities, inconsistencies and anomalies in the enforcement of such laws and regulations, which, in turn, could hinder the long-term planning efforts of the Enlarged Group and may create uncertainties in its operating environment.

The strategy and business of the Enlarged Group in Niger depends on it maintaining good relationships and cooperating with the relevant Nigerien authorities. While the Company believes that it has an effective working relationship with the Niger authorities, there is no guarantee that this positive relationship will continue or that actions by current or future governments will not seriously affect the business or financial position of the Enlarged Group. This relationship could be adversely impacted by future changes in the personnel or management of the Enlarged Group or the Nigerien authorities.

5.10 Uncertainties in the interpretation and application of laws and regulations.

The Savannah PSC is governed by Niger law. The courts in Niger may offer less certainty as to the judicial outcome or a more protracted judicial process than is the case in more established economies. However, the Savannah PSC offers the option of recourse to an international arbitration procedure. Nevertheless, the Enlarged Group could face risks, such as: (i) difficulty of obtaining effective legal redress in the courts, whether in respect of a breach of law or regulation, or in an ownership dispute, (ii) a higher degree of discretion on the part of governmental authorities and, therefore, less certainty, and (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations. Enforcement of laws in Niger may also depend on and be subject to the interpretation placed upon such laws by the relevant local authority, and such authority may adopt an interpretation of an aspect of local law which differs from the advice that has been given to the Enlarged Group by local lawyers or even previously by the relevant local authority itself.

6. Risks relating to the Ordinary Shares

6.1 Suitability.

Investment in the Ordinary Shares may not be suitable for all readers of this announcement. Readers are accordingly advised to consult a person authorised under FSMA who specialises in investments of this nature before making any investment decisions.

6.2 Investment in AIM-traded shares.

Investment in shares traded on AIM involves a higher degree of risk, and such shareholdings may be illiquid. The AIM Rules are different and may be less demanding than those rules that govern companies admitted to the Premium Segment of the Official List. It is emphasised that no application is being made for the admission of the Company's securities to the Official List. An investment in the Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment. The Board cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their Ordinary Shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

6.3 Share price volatility and liquidity.

The Company's entire issued share capital is admitted to trading on AIM but there can be no assurance that an active or liquid trading market for the Ordinary Shares will develop or, if developed, that it will be maintained. AIM is a market designed primarily for emerging or smaller growing companies which carry a higher-than-normal financial risk and tend to experience lower levels of liquidity than larger companies. Accordingly, AIM may not provide the liquidity normally associated with the Official List or some other stock exchanges. The Ordinary Shares may therefore be difficult to sell compared to the shares of companies listed on the Official List and the share price may be subject to greater fluctuations than might otherwise be the case. An investment in shares traded on AIM carries a higher risk than those listed on the Official List.

The Company is principally aiming to achieve capital growth and, therefore, Ordinary Shares may not be suitable as a short-term investment. Consequently, the share price may be subject to greater fluctuation on small volumes of shares traded, and thus the Ordinary Shares may be difficult to sell at a particular price. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. There can be no guarantee that the value of an investment in the Company will increase. Investors may therefore realise less than, or lose all of, their original investment.

The share prices of publicly quoted companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares may be influenced by a large number of factors, some of which are general or market specific, others which are sector specific and others which are specific to the Enlarged Group and its operations. These factors include, without limitation, (i) the performance of the Company and the overall stock market, (ii) large purchases or sales of Ordinary Shares by other investors, (iii) results of exploration, development and appraisal programmes and production operations, (iv) changes in analysts' recommendations and any failure by the Enlarged Group to meet the expectations of the research analysts, (v) changes in legislation or regulations and changes in general economic, political or regulatory conditions (particularly in Chad, Cameroon, Nigeria and/or Niger), and (vi) other factors which are outside of the control of the Company.

6.4 Dilution.

Shareholders not participating in future offerings may be diluted and pre-emptive rights may not be available to Shareholders, including, but not limited to Shareholders resident in jurisdictions with restrictions which means that they will not be granted subscription rights in connection with, or be able to subscribe for new shares in, such offerings. Statutory pre-emptive rights have been waived up to certain stated amounts as detailed in the Company's 2021 AGM circular. The Company may in the future issue warrants and/or options (in addition to the existing awards made by the Company under its share incentive scheme, as well as the further intended awards) to subscribe for new Ordinary Shares, including (without limitation) to certain advisers, employees, directors, senior management and consultants. The exercise of such warrants and/or options would result in dilution of the shareholdings of other investors.

6.5 Dividends.

The Enlarged Group has announced its intention to commence payment of an annual dividend. The Enlarged Group intends to provide further information on its intended forward dividend policy in due course, however there can be no assurance as to the level of future dividends.

6.6 Overseas shareholders may be subject to exchange rate risks.

The Ordinary Shares are, and any dividends to be paid on them will be, denominated in Pounds Sterling. An investment in Ordinary Shares by an investor whose principal currency is not Pounds Sterling exposes the investor to foreign currency exchange rate risk. Any depreciation in the value of Pounds Sterling in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in relation to such foreign currency.

6.7 Impact of research on share price.

If securities or industry analysts do not publish research or publish unfavourable or inaccurate research about the business, the Company's share price and trading volume of the Ordinary Shares could decline.

The trading market for the Ordinary Shares will depend, in part, on the research and reports that securities or industry analysts publish about the Company or its business. The Directors may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of the Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for the Ordinary Shares could be negatively impacted. In the event that the Company obtains securities or industry analyst coverage, if one or more of the analysts who cover the Company downgrade the Ordinary Shares or publish inaccurate or unfavourable research about the Group's business, the share price would be likely to decline.

If one or more of these analysts cease coverage of the Company or fail to publish reports regularly, demand for the Ordinary Shares could decrease, which might cause the share price and trading volume to decline.

6.8 The ability of non-UK resident Shareholders to bring actions or enforce judgments against the Company may be limited.

The Company is a public limited company incorporated in England and Wales. The rights of Shareholders are governed by the Articles and English law and these rights may differ from those which would be typical in some non-UK corporations. Notably, English law significantly limits the circumstances under which shareholders of English companies may bring derivative actions. Nor does English law afford approval rights to dissenting shareholders in the form typically available to shareholders in a US corporation.

It should be noted that the risk factors listed above are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Enlarged Group is or may be exposed or all those associated with an investment in the Company. In particular, the Company's performance is likely to be affected by changes in market and/or economic conditions, political, judicial, and administrative factors and in legal, accounting, regulatory and tax requirements in the areas in which it operates and holds its major assets. There may be additional risks and uncertainties that the Directors do not currently consider to be material or of which they are currently unaware which may also have an adverse effect upon the Enlarged Group.

If any of the risks referred to in this Part 3 crystallise, the Enlarged Group's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of its Ordinary Shares could decline and investors may lose all or part of their investment.

Although the Directors will seek to minimise the impact of the risk factors listed above, investment in the Enlarged Group should only be made by investors able to sustain a total loss of their investment.

APPENDIX IV
PATHFINDER ADMISSION DOCUMENT – EXTRACTS FROM PART 14

3.2 Junior Loan Facility

3.2.1 On [●] December 2021, the Company as borrower, LCP4L as lender and Lothian Capital Partners Holdings Limited as its holding company (“LCPHL HoldCo”) entered into the US\$32 million Junior Loan Facility. Loans drawn under the Junior Loan Facility (the “Loans”) have a 90 month tenor (ie. 7.5 years) and shall accrue interest daily at a rate of: (i) compounded reference rate plus 8 per cent. per annum if paid in cash; or (ii) compounded reference rate plus 10 per cent. per annum if paid-in-kind. An arrangement fee equal to 2 per cent. of the principal amount of each Loan was payable to Lothian Capital Partners 2 Limited (for the account of the LCP4L) upon signing the loan note facility agreement. The Loans and commitment of LCP4L are transferable subject to (i) the consent of the Company (not to be unreasonably withheld or delayed) prior to the occurrence of an event of default under the Junior Loan Facility, and (ii) the accession by the transferee to the intercreditor agreement to be executed in connection with the Exxon Acquisition and the PETRONAS Acquisition.

3.2.2 The Junior Loan Facility shall be subordinated to the Debt Financing and will share on a second-ranking basis the security granted under the Debt Financing. Under the terms of the Junior Loan Facility, the Company has agreed not to grant any security over the assets of the Company other than (i) the security granted to secure the Junior Loan Facility and (ii) the security granted to secure the US\$20 million bridge facility agreement under which the Company is a borrower. The Company may voluntarily prepay a Loan, subject to the payment of an early repayment fee of the interest which would have accrued on such Loan for the lesser of: (i) a period of one year from the date of prepayment; and (ii) a period from the date of prepayment to the final maturity date of the Junior Loan Facility. Mandatory prepayment of the Junior Loan Facility will occur in various circumstances, which includes: (i) acceleration under the terms of the Debt Financing; (ii) any refinancing or repayment of the Debt Financing in full, and (iii) the Company incurring more than US\$50 million of new debt (in addition to the Junior Loan Facility and the Company’s bridge facility).

3.2.3 On [●] December 2021, the Company’s Chief Executive Officer, Andrew Knott committed (via LCP4L) to lend: (i) US\$17 million to finance the Exxon Acquisition; and (iii) US\$15 million to finance the PETRONAS Acquisition. Lothian Capital Partners 3 Limited (“LCP3L”) has also committed to subscribe for 11,613,390 new Ordinary Shares as part of the Subscription. At the discretion of Andrew Knott, the Senior Lender may also act as a lender to LCP4L and LCP3L, and in that case the obligations of LCP3L and LCP4L will be cross-guaranteed and secured by Ordinary Shares held by LCP3L in the Company, the Junior Loan Facility advanced by LCP4L and Warrants held by Andrew Knott. LCPHL HoldCo would also grant security over their shares to secure their obligations. Andrew Knott would also provide the Senior Lender with a conditional personal guarantee in relation to certain obligations of LCP3L and LCP4L.

3.3 Warrant Instrument

3.3.1 Warrants will be granted to LCP4L as lender under the Junior Loan Facility immediately following the General Meeting, subject to the passing of Resolutions 5 and 9. The number of Warrants to be issued shall be calculated as the total value of the Junior Loan Facility (at the prevailing exchange rate on the date of signature) divided by the Exercise Price. Set out below are the particulars of the principal terms and conditions applying to the Warrants constituted by an instrument entered into by the Company by way of deed poll dated [●] December 2021 (the “Warrant Instrument”).

3.3.2 Constitution

The Company has determined by a resolution of the Board to issue up to [●] Warrants, each Warrant entitling the holder thereof (the “Warrantholder”) to subscribe for new Ordinary Shares at the Exercise Price payable in cash in full on subscription.

3.3.3 Subscription Rights

The Warrantholder of each Warrant will have the right (“Subscription Rights”), which may be exercised on any business day from the date of the grant of the Warrants up to (and including)

the date falling 90 calendar months after their date of grant (the “Expiry Date”) (such period being the “Subscription Period”), to subscribe in cash for one new Ordinary Share (subject to adjustment in accordance with the terms of the Warrant Instrument) in consideration of the payment of the Exercise Price (being 23.5 pence) in full per Warrant, subject to a minimum subscription price of not less than £100,000. The Subscription period shall be extended by a period of three months if the Warrantholder is in possession of relevant price sensitive information or inside information relating to the Company and is thereby precluded from exercising its Subscription Rights on the last day of the Exercise Period. The Warrantholder may elect to pay the subscription price by surrendering to the Company, for cancellation, such number of additional Warrants that have an aggregate value equal to the aggregate subscription price payable (for these purposes, each Warrant shall have a value equal to the prevailing middle market price of one Ordinary Share).

Every Warrant in respect of which Subscription Rights:

- (i) have been exercised in full; or
- (ii) at the end of the Subscription Period have not been exercised,

shall lapse and be cancelled.

New Ordinary Shares allotted pursuant to the exercise of Warrants in accordance with the terms of the Warrant Instrument shall be issued fully-paid and free from any liens, charges or encumbrances and rights of pre-emption, but shall not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares for which the record date is prior to the date on which the Warrants are exercised (the “Exercise Date”) but, subject thereto, shall rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares on or after the Exercise Date and otherwise *pari passu* in all respects with the Ordinary Shares in issue at that date.

At any time when the Ordinary Shares are admitted to trading on AIM, application will be made by the Company to the London Stock Exchange for the Ordinary Shares allotted pursuant to any exercise of Warrants to be admitted to trading on AIM and the Company will promptly apply for such admission so as to be effective simultaneously with the allotment of the relevant Ordinary Shares pursuant to the exercise of the Warrants in accordance with the terms of the Warrant Instrument becoming effective.

3.3.3 Transfer

The Warrants shall be freely transferable.

3.3.4 Undertakings of the Company

Warrantholders will have made available to them, at the same time and in the same manner as the same are made available to holders of Ordinary Shares, copies of the audited accounts of the Company (with the relevant directors’ and auditor’s reports) and copies of all other circulars or notices which are made available to holders of Ordinary Shares.

3.3.5 Adjustment of Subscription Rights

The Exercise Price and/or the number of Ordinary Shares for which a Warrantholder is entitled to subscribe shall from time to time be adjusted in accordance with the provisions of the Warrant Instrument to account for, *inter alia*, any sub-division or consolidation of the Ordinary Shares or any issue of Ordinary Shares fully paid by way of capitalisation of profits or reserves, so far as practical to compensate the Warrantholder for the economic effect of such adjustment event.

3.3.6 Anti Dilution

Customary anti-dilution provisions apply for the benefit of Warrantholders including, *inter alia*, where the Company carries out an equity fundraising at a greater than 5 per cent. discount to the prevailing middle market price of the Company’s Ordinary Shares.

3.3.7 Clawback

The Warrants cannot be exercised until such time as completion occurs of the Exxon Acquisition or the PETRONAS Acquisition. In the event that the Exxon Acquisition does not complete prior to the Exxon Longstop Date, the Board (save for Andrew Knott) can, at its discretion, cancel the Warrants issued in relation to the Exxon Acquisition (being 53 per cent.

of the total Warrants issued), and similarly if the PETRONAS Acquisition does not complete prior to the PETRONAS Longstop Date, the Warrants issued in relation to the PETRONAS Acquisition (being 47 per cent. of the total Warrants issued) can be cancelled at the discretion of the Board (save for Andrew Knott).

DEFINITIONS

The following definitions apply throughout this document, unless otherwise stated or the context requires otherwise:

1962 Petroleum Code	Ordinance n°7/PC/TP/MH dated 3 February 1962 relating to the exploration, exploitation and transportation by pipeline of hydrocarbons, and the fiscal regime of these activities within the territory of the Republic of Chad;
1967 Implementing Decree	Decree dated 10 May 1967 specifying the implementation modalities of Ordinance n°7/PC/TP/MH dated 3 February 1962;
1988 Convention	the convention covering a portion of Permit H described as “Lake Chad, Chari North, Chari South” between the Republic of Chad, EEPCI, PC Chad and SHT Petroleum Chad Company Limited dated 19 December 1988 (as amended on 19 May 1993, 12 March 1997, 21 June 2000 and 9 June 2017);
2004 Convention	the convention covering a portion of Permit H described as “Chari West, Chari East and Lake Chad” between the Republic of Chad, EEPCI, PC Chad and SHT Petroleum Chad Company Limited dated 10 May 2004 (as amended on 9 June 2017);
2014 Long-Term Incentive Plan or 2014 LTIP	the Company’s initial long-term incentive plan, which was established on 28 November 2014;
2015 Supplemental Plan	the Company’s supplemental long-term incentive plan;
Accugas Holdco	Accugas Holdings UK PLC, a company incorporated under the laws of England and Wales with registered number 11950135, whose registered office is at 40 Bank Street, London E14 5NR;
Accugas Limited	Accugas Limited, a company incorporated under the laws of Nigeria with registered number 881197, whose registered office is at 35 Kofo Abayomi Street, Victoria Island, Lagos;
Accugas Midco	Accugas UK Limited, a company incorporated under the laws of England and Wales with registered company number 12257421, whose registered office is at 40 Bank Street, London E14 5NR;
Accugas Midstream Business	the business currently operated by Accugas Limited, an indirect subsidiary of Accugas HoldCo, comprising a 200 MMscfpd gas processing facility and approximately 260 km gas pipeline network and associated gas processing infrastructure;
Accugas Term Facility	the US\$370.8 million term facility provided to Accugas Limited (as amended and restated) and as more fully described in paragraph 6.1 of this announcement;
Agadem Rift Basin or ARB	the Agadem basin in South East Niger located within the Central African Rift System;
AIIM	African Infrastructure Investment Fund 3 GP Proprietary Limited, a vehicle managed by African Infrastructure Investment Managers Limited;
AIM	the AIM market operated by the London Stock Exchange;

AIM Rules for Companies or AIM Rules	the London Stock Exchange's rules and guidance notes contained in its "AIM Rules for Companies" publication relating to companies whose securities are traded on AIM, as amended from time to time;
AIM Rules for Nominated Advisers	the London Stock Exchange's rules contained in its "AIM Rules for Nominated Advisers" publication relating to the nominated advisers of companies whose securities are traded on AIM, as amended from time to time;
April 2020 Supplemental Admission Document	the supplemental AIM admission document published by the Company on 30 April 2020;
Articles	the articles of association of the Company, as amended and restated from time to time;
Authority or NMDPRA	Nigerian Midstream and Downstream Petroleum Regulatory Authority;
BEAC	Bank of Central African States;
Board	the board of directors of the Company from time to time;
Brokers	finnCap Ltd and Panmure Gordon (UK) Limited
Cameroon Transportation System	the portion of the ETS located in the Republic of Cameroon operated by COTCo;
Cameroonian Petroleum Code	the code governing petroleum activities in Cameroon under Law N°2019/008 dated 25 April 2019;
CEFC China	CEFC Hainan International (HK) Limited;
CEMAC	Economic and Monetary Community of Central Africa;
certificated or in certificated form	an Ordinary Share which is not in uncertificated form (that is, not in CREST);
CFA Franc	Central African franc;
CGCL	Calabar Generation Company Limited, the operating company of the Calabar power station;
CGG	CGG Services (UK) Limited, the author of the Nigeria CPR, the Niger CPR and the Chad/Cameroon CPR;
Chad	Republic of Chad;
Chad/Cameroon Assets	the following assets to be acquired on completion of: <ul style="list-style-type: none"> (i) the Exxon Acquisition, being: <ul style="list-style-type: none"> (a) a 40 per cent. participating interest in the Doba OFDA in Chad; and (b) 40.19 per cent. and 41.06 per cent. shareholding interest in TOTCo and COTCo (respectively), which own and operate the Chad-Cameroon Pipeline and the Kome Kribi 1 FSO; and (ii) the PETRONAS Acquisition, being: <ul style="list-style-type: none"> (a) a 35 per cent. participating interest in the Doba OFDA in Chad; and

	(b) 30.16 per cent. and 29.77 per cent. shareholding interest in TOTCo and COTCo (respectively), which own and operate the Chad-Cameroon Pipeline and the Kome Kribi 1 FSO;
Chad/Cameroon Competent Person's Report or Chad/Cameroon CPR	the competent person's report on the Chad/Cameroon Assets;
Chad-Cameroon ETS or ETS	the Chad-Cameroon export transportation system comprising the Chad-Cameroon Pipeline and the Kome Kribi 1 FSO;
Chad-Cameroon Pipeline	the 1,081 km, 30 inch oil pipeline connecting the Doba Oil Project to the Kome Kribi 1 FSO, offshore Cameroon, with a nameplate capacity of 250 Kbpod;
Chad Transportation System	the portion of the ETS located in the Republic of Cameroon operated by TOTCo;
Chadian Petroleum Code	the code governing upstream, midstream and downstream activities under Law N°07-006 dated 2 May 2007 relating to hydrocarbons in Chad;
Cliveden	Cliveden Petroleum Co. Limited, a party to the Shipper Transportation Agreements;
CNPC	China National Petroleum Corporation, an oil and gas company with interests in Chad and that uses the Chad-Cameroon Pipeline;
CNPC PSC	the production sharing contract into which CNPC entered with the Government of Niger in 2008 in respect of the R1/R2 PSC Area and R3/R4 PSC Area;
CNPCI	CNPCI International (Chad) Co., Limited, a subsidiary of CNPC that is a Shipper;
CNPCI Convention	the Convention for Exploration, Exploitation and Transportation of Hydrocarbons between the Republic of Chad, CNPCI and Cliveden Petroleum Co. Ltd dated 23 February 1999, as amended from time to time;
Commission or NUPRC	Nigerian Upstream Petroleum Regulatory Commission;
Companies Act	the UK Companies Act 2006, as amended from time to time;
Company or Savannah	Savannah Energy PLC, a company incorporated in England and Wales with registered number 09115262, whose registered office is at 40 Bank Street, London E14 5NR;
Completion	the completion of the: <ul style="list-style-type: none"> (i) Exxon Acquisition in accordance with the terms of the Exxon SPA; and (ii) PETRONAS Acquisition in accordance with the terms of the PETRONAS SPA, (as applicable);

Compliance Laws	the UK Bribery Act 2010, the Foreign Corrupt Practices Act of 1977 and all other relevant and applicable anti-corruption, anti-bribery, anti-money laundering, compliance laws and regulations, and other laws governing the conduct of business (including with Chadian, Cameroon, Nigerian and Nigerian government entities), including local laws, that apply to the Enlarged Group;
Conventions of Establishment	the COTCo Convention and TOTCo Convention;
COTCo or Cameroon Pipeline Company	Cameroon Oil Transportation Company, incorporated under the laws of the Republic of Cameroon, with registered company number M089700006137L, whose registered office is at 164 Rue Toyota, Bonapriso, Douala, Cameroon;
COTCo Convention	the Convention of Establishment between the Republic of Cameroon and COTCo dated 20 March 1998, as amended from time to time and which granted COTCo the right to construct, own, operate and maintain the Cameroon Transportation System;
COTCo Transportation Agreement	the transportation agreement between COTCo, the Republic of Chad, EEPICI, PC Chad and SHT dated 19 June 2000, which regulates the transportation services provided by COTCo to the Consortium members of the Cameroon Transportation System;
COVID-19	the infectious disease caused by SARS-CoV-2 virus, which first emerged in December 2019;
CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any enactment or subordinate legislation which amends or supersedes those regulations and any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
Debt Financing	the up to US\$400 million borrowing base facility agreement (initial commitment of US\$300 million and US\$100 million accordion) between, <i>inter alia</i> , Savannah Chad and the Senior Lender, which shall be utilised by Savannah Chad to partly fund the Exxon Acquisition and the PETRONAS Acquisition;
December 2017 Admission Document	the AIM admission document published by the Company on 22 December 2017;
Directive	the Directive on Takeover Bids (2004/25/EC);
Directors	those persons who have been appointed as executive or non-executive directors of the Company, as applicable, whose names are set out in Appendix II of this announcement;
Doba Consortium	the unincorporated joint venture of EEPICI, PETRONAS Carigali (Chad EP) Inc. and SHT Petroleum Chad Company Limited, which explores, develops and produces hydrocarbons pursuant to the Upstream Conventions;

Doba JOA	the operating agreement dated 7 April 2000 between EEPCI, PETRONAS Carigali (Chad EP) Inc. and SHT Petroleum Chad Company Limited, concerning the operation of the Doba Petroleum Consortium, (as amended on 1 September 2009 and 11 June 2014);
Doba OFDA or Doba Oil Project	the area known as the Doba oil field development area, consisting of the contractual areas covered by the Upstream Conventions;
Doba Pipeline	Doba Pipeline Investments Inc., incorporated under the laws of the Cayman Islands, whose registered office is at the Offices of Maples and Calder, Attorneys-at-Law, P.O. Box 309, George Town, Grand Cayman, Cayman Islands BW1, which holds 30.16 per cent. and 29.77 per cent. shareholding interests in TOTCo and COTCo respectively;
DPR	the Department of Petroleum Resources, a department of the MPR, in Nigeria and where applicable its successor bodies under the Petroleum Investment Act 2021, the Nigerian Upstream Petroleum Regulatory Commission or Nigerian Midstream and Downstream Petroleum Regulatory Authority;
EBT	the Savannah Energy Employee Benefit Trust, constituted by a trust deed dated 9 February 2015 or such other trust to be established by the Company from time to time;
EBT Shares	58,066,951 new Ordinary Shares, which are proposed to be subscribed for by the EBT at nominal value and funded via a loan provided by the Company;
EBT Subscription	the proposed subscription for the EBT Shares by the EBT;
ECL	expected credit loss;
Economic Effective Date	1 January 2021;
EEPCI	Esso Exploration and Production Chad Inc., incorporated in the Bahamas, which holds a 40 per cent participating interest in (and is the operator in respect of) the Doba Oil Project;
EIA	Energy Information Administration, being the statistical agency of the U.S. Department of Energy;
Employee Plan 2018	means the Savannah Energy PLC Employee Share Option Plan 2018 ;
Employee Plan 2021	means the Savannah Energy PLC Employee Share Option Plan 2021 ;
Employee 2014/15 Replacement Plan	means the Savannah Energy PLC Replacement Share Option Plan 2021t;
English High Court	the High Court of England and Wales;
Enlarged Group	the Company and its subsidiaries immediately following Completion;

Enlarged Share Capital	the [*] Ordinary Shares in issue following admission to trading on AIM of the Placing Shares and the Subscription Shares, expected to take effect at 8.00 a.m. on [*] December 2021;
EPIL	Esso Pipeline Investments Limited, incorporated in the Bahamas and which holds a 40.19 per cent. and 41.06 per cent. shareholding interest in TOTCo and COTCo respectively;
ESG	environmental, social and governance;
ESMA Recommendations	European Securities and Markets Authority's update of the Committee of European Securities Regulators' recommendations for the consistent implementation of the EU Regulations on Prospectuses;
Euro or €	the official currency of the European Union;
Euroclear	Euroclear UK & Ireland Limited, a company incorporated in England and Wales with registered number 2878738, being the operator of CREST;
Exercise Price	23.5 pence per Ordinary Share;
Existing Group	the Company and its subsidiaries prior to Completion;
Existing Share Capital or Existing Ordinary Shares	the 996,408,412 Ordinary Shares as at the date of this document;
Exoro	Exoro Holding B.V., a company incorporated in the Netherlands with registered number 2730262 which owns the entire issued share capital of Accugas Limited;
ExxonMobil	Exxon Mobil Corporation, being the parent company of the Exxon Target Companies;
Exxon Acquisition	the acquisition by Savannah Chad, a wholly owned subsidiary of the Company, of EEPCL and EPIL;
Exxon Sellers	Exxon Mobil Corporation, ExxonMobil International Holdings Inc. and Esso Exploration Holdings Inc.;
Exxon SPA	the share sale and purchase agreement dated 12 December 2021 between Exxon Mobil Corporation, ExxonMobil International Holdings Inc., Esso Exploration Holdings Inc. and Savannah Energy Chad Limited;
Exxon Target Companies	the companies being acquired by Savannah pursuant to the Exxon SPA, being EEPCL, EPIL, as applicable;
Exxon Target Companies' Financial Information	the audited combined historical IFRS financial information prepared by the Company for the financials of the Exxon Target Companies for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020;
Exxon Target Companies' Interim Financial Information	the unaudited interim historical financial information of the Exxon Target Companies for the six-month period ended 30 June 2021;
FCA	the Financial Conduct Authority (formerly the Financial Services Authority) of the United Kingdom;

FIPL	First Independent Power Limited;
FIPL Afam	FIPL Afam power plant;
FOL Transaction	the transaction between SEUGL and Frontier, under which SEUGL acquired 100 per cent. of the Uquo Field Gas Project (including associated condensate production), Frontier relinquished operatorship of the Uquo CPF to Accugas Limited and Frontier acquired 100 per cent. of the oil project at the Uquo Field;
Frontier	Frontier Oil Limited, a company incorporated under the laws of the Federal Republic of Nigeria with registered number 41178, whose registered office is at 9C Joseph Adu Street, Oniru Estate, Victoria Island, Lagos, Nigeria;
FSMA	the Financial Services and Markets Act 2000 of the UK (as amended), including any regulations made pursuant thereto;
FUN Group	Frontier, Universal and Network Exploration & Production Company Nigeria Limited;
FUN Manifold	the facilities for storing, handling and exporting crude oil on behalf of the FUN Group from the Uquo, Stubb Creek and Qua Iboe fields to QIT;
Further Enlarged Share Capital	the share capital of the Company as enlarged by issue of the Placing Shares, the Subscription Shares and the EBT Shares;
General Meeting	the general meeting of the Company to be held at the Company's offices at 40 Bank Street, London E14 5NR on [•] January 2022 at 10.30 a.m., formal notice of which is set out in this document;
Glencore	Glencore Exploration (DOB/DOI) Limited, an oil & gas company with interests in Chad;
Glencore PSC	the Production Sharing Contract dated 18 March 2011 between the Republic of Chad, Glencore, PCM and SHT, as amended from time to time;
Group	the Company and its subsidiaries from time to time;
HSSE	health, safety, security and environmental;
IFRS	International Financial Reporting Standards as adopted by the United Kingdom;
Junior Loan Facility	the US\$32 million term loan facility entered into between the Company, as borrower, LCP4L as lender, and Lothian Capital Partners Holdings Limited dated [•] December 2021;
Kome Kribi 1 FSO	the Kome Kribi 1 floating storage and offloading facility which forms part of the ETS;
Lafarge	Lafarge Africa plc (previously known as United Cement Company of Nigeria Limited), a customer of Accugas Limited;
Latest Practicable Date	[•] December 2021, being the last practicable day prior to the publication of the Admission Document for the inclusion of certain information in this document;

London Stock Exchange	London Stock Exchange plc;
Marginal Field Guidelines	the Guidelines for Farm-out And Operation of Marginal Fields 2001 published by the DPR in Nigeria;
Market Abuse Regulations	Market Abuse Regulation (Regulation 596/2014) (as it forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018);
Minister	Minister of Petroleum and Mining of the Republic of Chad;
Ministerial Consent	the approval of the Minister for each of the Exxon Acquisition and the PETRONAS Acquisition in accordance with the 1962 Petroleum Code, the 1967 Implementing Decree, the Upstream Conventions and the TOTCo Convention, further details of which are set out in paragraph 6 of Part 2 in Appendix II of this announcement;
MPN	Mobil Producing Nigeria Unlimited, a subsidiary of ExxonMobil;
MPR	the Federal Ministry of Petroleum Resources in Nigeria;
Mulak	Mulak Energy Limited, a member of the Mansour Group, which is a Egyptian multinational conglomerate, which operates a compressed natural gas project in Nigeria;
NDPHC	the Niger Delta Power Holding Company, the owner of, <i>inter alia</i> , the Calabar power station;
NERC	the Nigerian Electricity Regulatory Commission;
NFCCPC	Nigerian Federal Competition and Consumer Protection Commission;
NFCCPC Consent	NFCCPC's consent to the Company's acquisition of 62.5 per cent. of Universal;
NGN or Naira	Nigerian Naira, the functional currency of Nigeria;
Niger CPR or Niger Competent Person's Report	the competent person's report on the Group's Nigerian assets ;
Nigerian Assets	the interest in the Uquo Gas Project owned by SEUGL, the interest in the Stubb Creek Field owned by Universal and the interest in the Accugas Midstream Business owned by Accugas Limited;
Nigerian CPR or Nigerian Competent Person's Report	the competent person's report on the Group's Nigerian assets ;
NNDC	New Nigeria Development Company Ltd., a conglomerate owned by the 19 Northern States of Nigeria, whose registered office is at Ahmed Talib House, 18/19 Ahmadu Bellow Way, Kaduna, Kaduna State, Nigeria;
NNPC	Nigerian National Petroleum Corporation, whose registered office is at NNPC Towers, Central Business District, Herbert Macaulay Way, P.M.B. 190, Garki, Abuja, Nigeria;
NPDC	Nigerian Petroleum Development Company, with its head office at 62/64 Sapele Road, Benin City, Edo State, Nigeria;

Notice of General Meeting	formal notice convening the General Meeting ;
Officers Plan 2020	means the Savannah Energy PLC Share Option Plan 2020 ;
Official List	the Official List maintained by the UK Listing Authority pursuant to Part VII of the FSMA;
Ordinary Shares	the ordinary shares of par value £0.001 each in the capital of the Company;
OPEC	the Organisation of the Petroleum Exporting Countries, comprising: Algeria, Angola, Congo, Ecuador, Equatorial Guinea, Gabon, IR Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates and Venezuela;
OPEC+	the Organisation of the Petroleum Exporting Countries Plus, comprising OPEC and Azerbaijan, Bahrain, Brunei, Kazakhstan, Malaysia, Mexico, Oman, Russia, South Sudan and Sudan;
OPIC	OPIC Overseas Petroleum and Investment Corporation, a wholly owned subsidiary of CPC Corporation, Taiwan, and a Shipper using the Chad-Cameroon Pipeline;
Panel	the UK Panel on Takeovers and Mergers;
PC Chad	PETRONAS Carigali (Chad EP) Inc., incorporated under the laws of the Cayman Islands, whose registered office is at the Offices of Maples and Calder, Attorneys-at-Law, P.O. Box 309, George Town, Grand Cayman, Cayman Islands BW1;
PC Marketing	PETRONAS Chad Marketing Inc., incorporated under the laws of the Cayman Islands, whose registered office is at the Offices of Maples and Calder, Attorneys-at-Law, P.O. Box 309, George Town, Grand Cayman, Cayman Islands BW1;
PCCEPI	PETRONAS Carigali Chad Exploration & Production Inc., incorporated under the laws of the Cayman Islands, whose registered office is at the Offices of Maples and Calder, Attorneys-at-Law, P.O. Box 309, George Town, Grand Cayman, Cayman Islands BW1;
PCM	PetroChad (Mangara) Limited;
PETRONAS	PETRONAS (E&P) Overseas Ventures SDN. BHD., incorporated under the laws of Malaysia, whose registered office is at Tower 1, PETRONAS Twin Towers, Kuala Lumpur City Centre, 5008, Kuala Lumpur, Malaysia;
PETRONAS Acquisition	the acquisition by Savannah Energy Chad Limited, a wholly owned subsidiary of the Company, of PCCEPI, PC Chad, Doba Pipeline and PC Marketing;
PETRONAS SPA	the share sale and purchase agreement dated 2 December 2021 between PETRONAS (E&P) Overseas Ventures SDN. BHD. and Savannah Energy Chad Limited;

PETRONAS Target Companies	the companies being acquired by Savannah pursuant to the PETRONAS SPA, being PCCEPI, PC Chad, Doba Pipeline and PC Marketing, as applicable;
PETRONAS Target Companies' Financial Information	the audited combined historical financial information of the PETRONAS Target Companies for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020;
PETRONAS Target Companies' Interim Financial Information	the unaudited interim historical financial information of the PETRONAS Target Companies for the six-month period ended 30 June 2021;
PIA	Petroleum Industry Act 2021 of Nigeria;
Pipeline Companies	TOTCo and COTCo;
Placing	the conditional placing of the Placing Shares by the Brokers at the Placing Price with institutional and other investors pursuant to the Placing Agreement;
Placing Agreement	the conditional placing agreement between the Company, the Directors, Strand Hanson and the Brokers relating to the Placing ;
Placing Price	[•] pence per Placing Share;
Placing Shares	[•] new Ordinary Shares subscribed for pursuant to the Placing;
Pounds Sterling or £	pounds sterling, the lawful currency of the UK from time to time;
Pro Forma Financial Information	the unaudited pro forma statement of net assets of the Company as at 30 June 2021;
Promissory Note	the US\$11.5 million note issued by Accugas Holdco;
Prospectus Directive	Directive 2003/71/EC including any relevant implementing measures in each member state of the European Economic Area that has implemented Directive 2003/71/EC;
Prospectus Regulation Rules	the rules published by the FCA under FSMA governing the publication of a prospectus, as derived from the Prospectus Directive;
QCA Code	the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies, as amended from time to time;
QIT	the Qua Iboe oil export terminal owned and operated by MPN, a subsidiary of ExxonMobil, located close to the Uquo Field, on the south coast of Nigeria;
R1/R2 PSC	the production sharing contract between Savannah Niger and the Government of Niger dated 3 July 2014, its amendment no. 1 dated 2 November 2015 and amendment no. 2 dated 26 October 2016 in respect of the R1/R2 PSC Area;
R1/R2 PSC Area	the R1/R2 areas in South Eastern Niger that are the subject of the R1/R2 PSC;

R1/R2 Signature Bonus	the payments of US\$34 million and US\$2.7 million made by the Group to the Government of Niger represented by the Ministry of Energy and Petroleum and their advisers on or around 4 August 2014 pursuant to the R1/R2 PSC;
R1234 PSC	the amalgamation of the R1/R2 PSC with the R3/R4 PSC;
R3/R4 PSC	the production sharing contract between Savannah Niger and the Government of Niger dated 30 July 2015 and its amendment no.1 dated 2 November 2015 and amendment no. 2 dated 26 October 2016 in respect of the R3/R4 PSC Area;
R3/R4 PSC Area	the R3/R4 areas in South East Niger that are the subject of the R3/R4 PSC;
R3/R4 Signature Bonus	the payments of US\$28 million and US\$2.24 million made by the Group to the Government of Niger represented by the Ministry of Energy and Petroleum and their advisers on or around 31 July 2015 pursuant to the R3/R4 PSC;
R3 East	the R3 East portion of the R3/R4 PSC;
Re-Admission	the re-admission of the Further Enlarged Share Capital to trading on AIM, following Completion, and such admission becoming effective in accordance with the AIM Rules for Companies;
Registrar	Computershare Investor Services plc;
Regulation S	Regulation S promulgated under the Securities Act;
Resolutions	the resolutions to be proposed at the General Meeting;
Restoration	the restoration of the Existing Share Capital to trading on AIM following publication of this Admission Document, expected to occur at 8.00 a.m. on or around [] December 2021, with neither the Exxon Acquisition nor the PETRONAS Acquisition having completed;
Savannah Chad	Savannah Energy Chad Limited, incorporated under the laws of England and Wales with registered number 13490881, whose registered office is at 40 Bank Street, London E14 5NR;
Savannah Niger	Savannah Energy Niger S.A. a société anonyme unipersonnelle incorporated under the laws of Niger with registered number RCCM: NI-NIA-2014-B 1940, whose registered office is at 124 Rue des Ambassades, BP11272, Niamey, Niger;
Savannah PSCs or Savannah PSC	the R1/R2 PSC, the R3/R4 PSC and the R1234 PSC as applicable;
SE1L	Savannah Energy 1 Limited, a company incorporated in Scotland with registered number SC453751, whose registered office is at 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ;
SEC	US Securities and Exchange Commission;
Securities Act	US Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder;
Senior Lender	Maddox DMCC, a global commodity trader headquartered in Dubai;

Senior Managers	Nick Beattie and Antoine Richard, further details of whom are set out in paragraph 17 of Part 1 in Appendix II of this announcement;
Seven or Seven Energy or SEIL	Seven Energy International Limited, a company incorporated in Mauritius with registered number 65304 C2/GBL, whose registered office is at c/o International Management (Mauritius) Ltd, Les Cascades Building, Edith Cavel Street, Port-Louis, Mauritius;
Seven Group	Seven and its subsidiary entities;
SEUGL	Savannah Energy Uquo Gas Limited (previously known as Seven Uquo Gas Limited and GOG (Nig) Limited), a company incorporated under the laws of the Federal Republic of Nigeria, with registered number 659675, whose registered office is at 35 Kofo Abayomi Street, Victoria Island, Lagos, Nigeria;
Shareholders	the holders of Ordinary Shares from time to time;
Share Options	options to subscribe for new Ordinary Shares and Ordinary Shares held by the EBT;
Share Schemes	means the 2014 LTIP, the 2015 Supplemental Plan, the Employee Plan 2018, the Officers Plan 2020, the Employee Plan 2021, the Employee 2014/15 Replacement Plan, further details of which are set out in paragraph 4 of Part 12 of this Admission Document;
Shell	Royal Dutch Shell PLC;
Shippers	the Doba Consortium, Glencore, CNPCI and PIC;
SHT or Chad National Oil Company	Société des Hydrocarbures du Tchad;
Significant Shareholder	a Shareholder holding three per cent. or more of the Ordinary Shares in issue from time to time;
Sinopec	Sinopec International Petroleum Exploration and Production Company Nigeria Limited;
Shipper Transportation Agreements	being: <ul style="list-style-type: none"> (i) the transportation contract dated 19 June 2000 between COTCo, the Republic of Chad and the Doba Consortium; (ii) the transportation contract between TOTCo, Republic of Chad and the Doba Consortium dated 21 June 2000, as amended on 11 October 2011; (iii) the transportation contract dated 21 October 2013 between COTCo, Republic of Chad, Glencore, PCM and SHT; (iv) the transportation contract dated 11 October 2013 between TOTCo, Republic of Chad, Glencore, PCM and SHT; (v) the transportation contract dated 22 November 2013 between COTCo, Republic of Chad, CNPCI and Cliveden; (vi) the transportation contract dated 22 November 2013 between TOTCo, Republic of Chad, CNPCI and Cliveden; (vii) the transportation contract dated 28 January 2020 between TOTCo, Republic of Chad, OPIC Africa Corporation, CEFC Hainan International (HK) Limited and SHT; and

(viii) the transportation contract dated 28 January 2020 between COTCo, Republic of Chad, OPIC Africa Corporation, CEFC Hainan International (HK) Limited and SHT;

SPDC	Shell Petroleum Development Company of Nigeria Limited;
Strand Hanson	Strand Hanson Limited, the Company's financial and nominated adviser, whose registered office is at 26 Mount Row, London W1K 3SQ;
Stubb Creek EPF	the early production facilities located at the Stubb Creek Field;
Stubb Creek Field	the Stubb Creek marginal field located in the OML 14 block onshore Nigeria;
Stubb Creek JV	the joint venture between Universal and Sinopec in connection with the Stubb Creek Field;
Subscribers	Andrew Knott (via a wholly-owned entity), Steve Jenkins, Sir Stephen O'Brien, David Clarkson and Mark Iannotti;
Subscription	the subscription for the Subscription Shares at the Placing Price to the Subscribers pursuant to the Subscription Letters;
Subscription Letters	the subscription letters entered into between the Company and each of the Subscribers;
Subscription Shares	[14,346,982] new Ordinary Shares subscribed for pursuant to the Subscription;
Takeover Code	the UK City Code on Takeovers and Mergers (as amended from time to time);
TOTCo or Chad Pipeline Company	Tchad Oil Transportation Company, incorporated under the laws of the Republic of Chad with registered company number 600 010 746, whose registered office is at 3223 Rue d'Abeche, B. P. 6321 N'Djamena, Tchad;
TOTCo Convention	the Convention of Establishment between the Republic of Chad and TOTCo dated 20 July 1998, as amended from time to time, which granted TOTCo the right to construct, own, operate and maintain the Chad Transportation System;
TOTCo Transportation Agreement	the transportation agreement between TOTCo, the Republic of Chad, EEPIC, PC Chad and SHT dated 11 June 2000 (as amended on 11 October 2011);
Transportation Agreements	the TOTCo Transportation Agreement and the COTCo Transportation Agreement;
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland;
UKLA or UK Listing Authority	the FCA, acting in its capacity as the competent authority for the purposes of Part VI of the FSMA;
uncertificated or in uncertificated form	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;

United States or US	the United States of America, its territories and possessions, any state of the United States of America and the district of Columbia and all other areas subject to its jurisdiction;
Universal or UERL	Universal Energy Resources Limited, a company incorporated under the laws of the Federal Republic of Nigeria with registered number 429120, whose registered office is 25 Idoro Ro. d, Uyo, Akwa Ibom State, Nigeria;
Upstream Conventions	the 1988 Convention and the 2004 Convention;
Upstream GSA	the gas sales agreement dated 6 November 2019 between SEUGL as seller and Accugas Limited as buyer relating to gas produced at the Uquo Field;
Uquo CPF	the 200 MMscfpd gas processing facilities, owned by Accugas Limited and located at the Uquo Field;
Uquo Field	the Uquo marginal field located in the OML 13 block onshore Nigeria;
Uquo Gas Project	the gas project at the Uquo Field;
Uquo HoldCo	Savannah Energy (Uquo) Limited, a company incorporated under the laws of England and Wales with registered company number 12292632, whose registered office is at 40 Bank Street, London E14 5NR;
Uquo JOA	the joint operating agreement between Frontier and SEUGL dated 9 January 2007 as amended from time to time;
Uquo JV	the joint venture between SEUGL and Frontier in connection with the Uquo Field which governs the terms of the FOL Transaction on an ongoing basis;
US Dollar, US\$ or \$	the legal currency of the United States from time to time;
VAT	valued added tax;
Warrantholders	the holders of Warrants from time to time;
Warrants	the Warrants to be granted to Andrew Knott (via LCP4L) under the terms of the Warrant Instrument;
Warrant Instrument	the warrant instrument entered into by the Company by way of deed poll on [I] December 2021;
Warrant Shares	the new Ordinary Shares to be issued to Warrantholders on exercise of the Warrants;
Wood Mackenzie	Wood Mackenzie Limited;
World Bank Partial Risk Guarantee or Partial Risk Guarantee	the guarantee of the payment obligations under the downstream GSA between Accugas Limited and Calabar Generation Company Limited, provided by the World Bank's International Development Association; and
XOF	West African CFA Franc, the functional currency of Niger.

GLOSSARY

The following table provides an explanation of certain technical terms and abbreviations used in this document. The terms and their assigned meanings may not correspond to standard industry meanings or usage of these terms.

2D seismic	geophysical data that depicts the subsurface strata in two dimensions;
2P Reserves	proven and probable reserves;
3D seismic	geophysical data that depicts the subsurface strata in three dimensions. 3D seismic typically provides a more detailed and accurate interpretation of the subsurface strata than 2D seismic;
Adjusted EBITDA	profit or loss before finance costs, investment revenue, foreign exchange gains or losses, expected credit loss and other related adjustments, fair value adjustments, gain on acquisition, taxes, transaction costs, depreciation, depletion, and amortisation and adjusted to include deferred revenue and other invoiced amounts. Management believes that the alternative performance measure of Adjusted EBITDA more accurately reflects the cash generating capacity of the business;
API	a standard measure of oil density, as defined by the American Petroleum Institute;
appraisal well	a well drilled as part of an appraisal drilling programme which is carried out to determine the physical extent, reserves and likely production rate of a field;
barrels or bbl	a unit of volume measurement used for petroleum and its products (for a typical crude oil 7.3 barrels = 1 tonne: 6.29 barrels = 1 cubic meter);
Bscf	billion standard cubic feet. 1 bscf is approximately equal to 166,667 boe or 23,618 tonnes of oil equivalent;
Best Estimate	the middle value in a range of estimates considered to be the most likely. If based on a statistical distribution, can be the mean, median or mode depending on usage;
Block	an area defined for exploration licensing;
blow-out	an uncontrolled flow of gas, oil, or other well fluids into the atmosphere or into an underground formation;
Bnbbls	billions of barrels of oil;
Boe	barrels of oil equivalent. One barrel of oil is approximately the energy equivalent of 6,000 scf of natural gas;
bopd	barrels of oil per day;
Brent	major trading classification of sweet light crude oil;
carbonates	a sedimentary rock composed primarily of calcium carbonate (limestone) or calcium magnesium carbonate (dolomite);

Central African Rift System	the rift system composed of two coeval Cretaceous rift sub-systems in Central Africa;
Chance of Success or CoS	the estimated chance, or probability, of making an oil and gas discovery in an exploration well;
Clastics	sediments formed by the breakdown of large rock masses by climatological processes, physical or chemical;
Condensate	light hydrocarbon compounds that condense into liquid at surface temperatures and pressures. They are generally produced with natural gas and are a mixture of pentane and higher hydrocarbons;
Contingent Resources	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies;
Cretaceous	geological strata formed during the period 140 million to 65 million years before the present;
crude oil	hydrocarbons that at atmospheric temperature and pressure are in a liquid state, including crude mineral oil, asphalt and ozokerites, and liquid hydrocarbons that are obtained by the separation treatment, processing or extraction;
DCQ	daily contract quantity;
debottlenecked	process of identifying specific areas and/or equipment in oil and gas facilities that limit the flow of product and optimising them so that overall capacity in the plant can be increased;
Deltaic	sediments deposited in an ancient (or present day) river delta;
Dip	the inclination of a horizontal structure from the horizontal;
discovery well	an exploration well which has encountered hydrocarbons for the first time in a structure;
Doba Basin	the oil basin in southern Chad, which forms part of the West and Central African Rift System;
drilling rig	the derrick or most drawworks, and attendant surface equipment of a drilling or workover unit;
dwt	dead weight tonnage, a measure of the weight a ship is able to carry;
EBITDA	earnings before interest and tax, depreciation and amortisation;
EBITDAX	earnings before interest and tax, depreciation, amortisation and exploration expense;
EOR	Enhanced Oil Recovery;
E&P	exploration and production;
Eocene horizon	stratigraphic section of Eocene age (approx. 55 – 34 mybp);
EPS	Early Production Scheme;

Exploration Risk Factor	the estimated probability of discovering hydrocarbons within an exploration prospect. Also known as Chance of Success, or CoS;
exploration well	a well drilled to find hydrocarbons in an unproved area or to extend significantly a known oil or natural gas reservoir;
fault or faulting	a displacement (vertical, inclined or lateral) below the earth's surface that acts to offset rock layers relative to one another. Faulting can create traps for hydrocarbons;
Field	an area consisting of either a single reservoir or multiple reservoirs, all grouped on or related to the same individual geological structural feature and/or stratigraphic condition;
Formation	a layer or unit of rock. A productive formation in the context of reservoir rock;
FSO	floating storage and offloading vessel;
full tensor gravity	a form of gravimetric survey;
GDP	gross domestic product;
geophysical	measurement of the earth's physical properties to explore and delineate hydrocarbons by means of electrical, seismic, gravity and magnetic methods;
gross resources	the total estimated petroleum that is potentially recoverable from a field or prospect;
GSA	gas sales agreement;
heavy crude	oil of high specific gravity, an API gravity of less than 22 degrees and viscosity of less than 100 centipoise;
HSE	health, safety and environment;
hydrocarbon	a compound containing only the elements hydrogen and carbon. May exist as a solid, a liquid or a gas. The term is mainly used in a catch-all sense for oil, gas and condensate;
IMF	International Monetary Fund;
investment grade	a rating that indicates that a municipal or corporate bond has a relatively low risk of default;
IT	information technology
Kboepd	thousands of barrels of oil equivalent per day;
Kbopd	thousands of barrels of oil per day;
km	kilometre;
km²	square kilometers;
Lacustrine	sediments deposited in an ancient (or present day) freshwater lake;

Lead	a conceptual exploration idea usually based on minimal data but with sufficient support from geological analogues and the like to encourage further data acquisition and/or study on the basis that hydrocarbon accumulations of unknown size may be found in the future;
licence	an exclusive right to search for or to develop and produce hydrocarbons within a specific area and/or a pipeline licence, as the context requires. Usually granted by the State authorities and may be time limited;
Lower Cretaceous	stratigraphic section of Early Cretaceous age (approximately 145 – 100 mybp);
LTI	lost time injury;
M&A	mergers and acquisitions;
M	thousand;
Mscf	thousand standard cubic feet of natural gas;
MMbbls	millions of barrels of oil;
MMboe	millions of barrels of oil equivalent;
MMBtu	millions of British Thermal Units;
MMscfpd	millions of standard cubic feet per day;
MMstb	millions of standard stock tank barrels of oil;
MOU	memorandum of understanding;
Mscf	thousand standard cubic feet (equivalent to 1.037 MMBtu);
mybp	millions of years before present;
natural gas	hydrocarbon that at a standard temperature of sixty degrees Fahrenheit (60°F) and a standard pressure of one atmosphere are in a gaseous state, including wet mineral gas and dry mineral gas, casing head gas, residual gas remaining after separation treatment, processing, or extraction of liquid hydrocarbons;
NPV	Net Present Value;
oil equivalent	international standard for comparing the thermal energy of different fuels. 1 boe = 6,000scf;
Operator	the entity that has legal authority to drill wells and undertake production of hydrocarbons found. The operator is often part of a consortium and acts on behalf of this consortium;
Paleocene	period of geological time, approximately 65 to 55 mybp;
Petroleum	a generic name for hydrocarbons, including crude oil, natural gas liquids, natural gas and their products;
permeability	a measure of the ability of a material (such as rocks) to transmit fluids;

pinch-out	to taper to a zero edge;
Play	a project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects;
Porosity	the percentage of void in a porous rock compared to the solid formation;
Possible Reserves	those additional Reserves that analysis of geoscience and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P) Reserves, which is equivalent to the high-estimate scenario;
Probable Reserves	those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P);
Prospect	a project associated with a potential accumulation of oil or natural gas that is sufficiently well defined to represent a viable drilling target;
Prospective Resources	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects;
Proved Reserves	those quantities of Petroleum that, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from known reservoirs and under defined technical and commercial conditions;
PSC	Production Sharing Contract;
Reserves	those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions;
Reservoir	a subsurface body of rock having sufficient porosity and permeability to store and transmit fluids. A reservoir is a critical component of a complete petroleum system;
Resources	deposits of naturally occurring hydrocarbons which, if recoverable, include those volumes of hydrocarbons either yet to be found (prospective) or if found the development of which depends upon a number of factors (technical, legal and/or commercial) being resolved (contingent);
RFT	Repeat Formation Tester;
Scf	standard cubic feet;
Seal	a relatively impermeable rock, commonly shale, anhydrite or salt, that forms a barrier or cap above and around reservoir rock such that fluids cannot migrate beyond the reservoir. A seal is a critical component of a complete petroleum system;

seismic survey	a method by which an image of the earth's subsurface is created through the generation of shockwaves and analysis of their reflection from rock strata. Such surveys can be done in two or three-dimensional form;
stratigraphic	a mode of trapping hydrocarbons which is not dependent on structural entrapment;
sweet crude	the New York Mercantile Exchange designates petroleum with less than 0.5 per cent. sulfur as sweet;
Tscf	trillion standard cubic feet;
Tertiary	geological strata formed during the period from 65 to 1.8 mybp;
TVDSS	true vertical depth sub-sea;
UN	United Nations;
UN SDG	United Nations Sustainable Development Goals;
Upper Cretaceous	period of geological time, approximately 100 to 65 mybp;
up-dip	up the plane of the dip;
USGS	US Geological Survey;
Volcanics	rocks derived from an ancient (or present day) volcano;
WTI	West Texas Intermediate, a light, sweet crude oil; and
Yet-to-find or YTF	estimated volumes of hydrocarbons which are as yet undiscovered.