

13 December 2021

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

Share Purchase Agreement Signed with PETRONAS (E&P) Overseas Ventures

Savannah Energy PLC, the British independent energy company focused around the delivery of *Projects that Matter* in Africa, is pleased to announce that it has signed a Share Purchase Agreement ("SPA") with PETRONAS (E&P) Overseas Ventures SDN. BHD. ("PETRONAS (E&P) Overseas Ventures") to acquire PETRONAS' (E&P) Overseas Ventures' entire upstream and midstream asset portfolio in Chad and Cameroon (the "PETRONAS Assets") for the sum of US\$266 million, subject to working capital and customary adjustments (the "PETRONAS Acquisition"). The SPA has an economic effective date of 1 January 2021. It is intended that the PETRONAS Acquisition will be funded through a mixture of debt and equity/equity linked financing.

The PETRONAS Acquisition involves Savannah acquiring a target company holding a 35% interest in the Doba Oil Project and an effective c. 30% indirect interest in the Chad-Cameroon export transportation system, comprising a 1,081 km pipeline and the Kome Kribi 1 floating storage and offloading facility, offshore Cameroon. For reference, in 2020, the Doba Oil Project produced an average gross 33.7 Kbpod and the Chad-Cameroon pipeline transported a gross 129.2 Kbpod.

The PETRONAS Acquisition constitutes a reverse takeover transaction pursuant to AIM Rule 14 and, accordingly, will be subject to, inter alia, shareholder approval. The Company intends to publish an AIM Admission Document, which will contain a notice of general meeting at which shareholder approval shall be sought, on or around 17 December 2021, following which the Company would seek restoration to trading on AIM of its ordinary shares. Full details on the conditions to completion of the acquisition will be set out in the AIM Admission Document.

Further information on the PETRONAS Assets¹

For the 42-month period 1 January 2018 to 30 June 2021, the target companies have generated cumulative operating cashflows (before movements in working capital) from the upstream business of US\$267.6m and received cumulative dividends from the midstream business of US\$67.8m.

It should be noted that: (1) the upstream corporate entity being acquired accounts for the company's earnings on its 35% interest as a joint arrangement (i.e. reports its proportionate share of the Doba Oil Project's revenues, costs and cash flows); and (2) the midstream corporate entity being acquired accounts for the company's earnings associated with the Chad-Cameroon export transportation system as an investment in associates (i.e. it reports cash dividends received in the Statement of Cash Flows and reports its proportionate share of net income in the Statement of Comprehensive Income but not, for example, revenues and costs).

The following information is included in accordance with the disclosure requirements of Schedule Four to The AIM Rules for Companies:

For the financial year ended 31 December 2020 ("FY2020"), the target company for the PETRONAS Assets reported audited revenue of US\$170.7 million, a loss after tax of US\$277.9 million (which was net of a US\$547.0 million non-cash impairment charge and a US\$251.6 million net tax credit), and additionally received cash dividends of US\$18.8 million. As at 30 June 2021, the holding companies reported unaudited total assets of US\$457.2 million and net assets of US\$239.2 million. FY2020 results were significantly impacted by the prevailing weak macro-economic environment of 2020, driven by the impact of the COVID-19 pandemic, with a realised average oil price of US\$44.8/bbl.

¹ The following financial information was prepared based upon initial information provided by PETRONAS (E&P) Overseas Ventures as adjusted in accordance with Savannah's accounting policies.

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.