

23 April 2018

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

Bushiya Oil Discovery
Encouraging start to multi-well drilling campaign in Niger

Savannah Petroleum PLC, the British independent oil and gas company focused around oil and gas activities in Niger and Nigeria, is pleased to announce the result of the Bushiya-1 exploration well as an oil discovery. Bushiya-1 is located on the R3 portion of the R3/R4 PSC Area in the Agadem Rift Basin ("ARB"), south east Niger.

Well Result

Preliminary results based on the interpretation of the available data set (which includes wireline logs, fluid sampling and pressure data) indicate that the well has encountered an estimated 10 metres of net oil bearing reservoir sandstones across two intervals (3m and 7m) in the primary Eocene Sokor Alternances objective. Wireline logs indicate the reservoir properties in both sections to be of excellent quality and the available pressure data indicates light oil to be contained within both intervals, which is consistent with offset wells along trend and the depth/API trend observed across the basin. The fluid sampling capabilities of the wireline testing equipment available to Savannah onsite has proven to be limited. Therefore, while an oil sample has been taken and returned to surface from the shallower horizon, an attempt to extract an oil sample from the deeper horizon was un-successful. Following industry standard guidelines, Savannah will not consider the deeper section as proven pay until the successful completion of well testing operations.

Drilling Performance

The well was drilled by Rig GW 215 to a total measured depth of 2,200 metres, and encountered the main objective intervals at, or near, their prognosed depths. The well took a total of 16 days to reach target depth, and all operations are expected to be completed within 25 days of spud (versus an original expectation of approximately 35 days). Well costs are therefore expected to be under budget. Drilling conditions were benign with no significant geological or drilling hazards encountered.

Next Steps

Bushiya-1 is currently being suspended for future re-entry. Consistent with standard industry practice in the ARB a production test is expected to be performed on the well as part of a batch campaign using a dedicated workover/well testing rig once the results of the other two exploration wells in the current drilling campaign are available. Savannah does not expect to provide a discovered resource volume estimate for Bushiya until following the completion of the well testing program.

Following well testing, Savannah expects to install a downhole completion assembly to Bushiya-1 so as to enable it to function as a potential production well in the future.

Amdigh-1

Rig GW-215 will now move to the Amdigh well site, located 6km from Bushiya, where it will prepare to spud the Amdigh-1 exploration well. Construction of the Amdigh-1 well pad has been completed, and the well site is ready to accept the rig. The move is anticipated to take between 10-15 days, and the Company will provide an update upon spud of the Amdigh-1 well.

Similar to the Bushiya-1 well, the Amdigh-1 well is designed to evaluate potential oil pay in the Eocene Sokor Alternances as the primary target, with the secondary target of potential oil pay in the Eocene-Oligocene Upper Sokor being considered as potential upside. Savannah's competent person, CGG Robertson, has assessed total mean un-risked recoverable resources at Amdigh of 39 mmbbls. Drilling and logging operations are expected to take approximately 35 days, and the well is planned to be drilled to a total measured depth of 2,576 metres.

Foumakoye Gado, Niger Minister of Energy and Petroleum, said:

"The development of the oil and gas industry in the Agadem Rift Basin is expected to be transformative for both the Diffa region and Niger as whole and is a national priority for our country. We are therefore delighted that the Bushiya-1 well has discovered oil, and we welcome Savannah as an oil resource holder in our country. We look forward to working closely with Savannah and other stakeholders to assist in the commercialisation of Bushiya and any other additional discoveries made by the Company over the course of the coming years. We hope and expect Bushiya-1 to be the first of many drilling successes for Savannah in Niger."

Steve Jenkins, Chairman of Savannah Petroleum, said:

"The discovery of light oil at Bushiya-1 is a significant milestone for Savannah and our Niger project. As a geologist, I am highly encouraged that the well provides further validation for our original thesis for entering the ARB - being that significant portions of Savannah's acreage have similar geology to that of the neighbouring Agadem PSC area, which has proven so prolific for the Joint Venture Partnership led by China National Petroleum Corporation.

In simple terms, I believe the well has demonstrated all of the necessary ingredients for repeatable exploration success to exist in the R3 Area and look forward with encouragement to the remaining wells in our initial campaign, being Amdigh-1 and Kunama-1. I would also highlight the extensive prospects and leads inventory we have in the wider R3 license area, which we expect to continue to high grade for potential inclusion in future drilling campaigns."

Andrew Knott, CEO of Savannah Petroleum, said:

"This morning's announcement marks an encouraging start for our multi-well drilling campaign in Niger. I would like to take the opportunity to remind our stakeholders of our Niger exploration strategy. We are focused around discovering and aggregating a series of oil fields to create and/or participate in hub-and-spoke production development(s). We are not seeking to "re-invent the wheel". We are simply seeking to discover fields in our permit areas of similar size to the established ARB discovered field resource volume distribution by employing similar analytical techniques, equipment and service providers to those that have been used to so much success in other permit areas elsewhere in the ARB in recent times.

I feel it is important for us to thank our local community and governmental stakeholders as well as our operations and subsurface teams and oil service company partners for the work and support that the Company has received to reach this point. It has been a true team effort. I would like to highlight the stable and consistent business environment in Niger as a major enabler of the success we have achieved to date. Further, I think it is important to highlight the cost discipline and operational successes we have consistently demonstrated. Our drilling operations have followed the seismic and FTG survey acquisition activities we have conducted in prior years in the ARB and I am very pleased that all of these operations have come in at, or under, budgeted levels and timelines.

To summarise, while there will undoubtedly be ups and downs going forward, our Niger project is clearly entering an exciting time. As a Board and Management team, we firmly believe that if we execute our ARB strategy successfully we will obtain our ultimate objective of realising significant material value for

all of our Niger project's stakeholders. We look forward to providing further updates in the future as we progress our work program."

Steve Jenkins, Chairman, has read and approved the technical disclosure in this regulatory announcement in his capacity as a qualified person under the AIM Rules. Mr Jenkins is a qualified geologist with 35 years' experience in the oil and gas industry. He holds a B Sc (Hons) in Geology and a M Sc in Petroleum Geology. Mr Jenkins is a Fellow of the Geological Society.



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