

10 April 2018

**Savannah Petroleum PLC**  
("Savannah" or "The Company")

**Notice of AGM, Related Party Transaction and Warrant Cancellation**

Savannah Petroleum has today posted its annual report and accounts to shareholders, which includes a notice of the Annual General Meeting ("AGM") to be held at 11 a.m. on 3 May 2018 at the Hilton London Canary Wharf, Marsh Wall, London, E14 9SH. The annual report and accounts are also available on the Company's website ([www.savannah-petroleum.com](http://www.savannah-petroleum.com)).

Eight resolutions are to be proposed at the AGM. Resolution 5 seeks approvals to grant nil cost share options over up to 21,312,418 existing ordinary shares to the Company's Chief Executive Officer, Andrew Knott, which is deemed a related party transaction under the AIM Rules for Company. The full text of Resolution 5 is set out below for information.

*The Board believe that the success of the Company will depend to a significant degree on the future performance of the Company's senior management team, in particular its CEO, Andrew Knott, and therefore that it is important to ensure that the members of the senior management team are well motivated and identify closely with the success of the Company.*

*As was disclosed in the Company's Admission Document published on 22 December 2017, the Company's Remuneration and Nomination Committee intends to incentivise certain existing and future senior management by offering them the option of participating in a new share incentive scheme (the "New Share Scheme"). The Company's Remuneration and Nomination Committee engaged New Bridge Street, part of AON plc, to advise on potential structures for the New Share Scheme.*

*Awards under the New Share Scheme will take the form of nil cost options over a total of 42,624,837 existing ordinary shares in the Company currently held in an employee benefit trust. Vesting of the awards to participants will be linked to total shareholder return (based on share price performance and dividends), measured against the 30 day volume weighted average price ("VWAP") of the Company's shares during a 5 year period.*

*For initial participants, the Performance Options will vest on a straight-line basis should the VWAP at any point during the 5 year period exceed a hurdle price of 47p, with 100 per cent. vesting on the VWAP reaching 68p. Participants who receive shares pursuant to the Performance Options will be subject to a 3 month lock-in period during which they will not be permitted to deal in such shares, subject to certain limited exceptions.*

*All awards under the New Share Scheme will be subject to the participant's continued employment or other engagement with the Company, and malus provisions. To further align the interests of the Company's senior management team and those of shareholders, the Company's share dealing code will be amended such that employees who are participants in the New Share Scheme who are awarded shares will only be permitted to dispose of such shares if, post-disposal, their residual shareholding will be valued at an amount equal to at least 200 per cent. of their base salary (based on the VWAP on the date of such disposal).*

*Related Party Transaction*

*As was disclosed in the Company's Admission Document published on 22 December 2017, it is proposed that the Company's Chief Executive Officer, Andrew Knott, will be awarded options over 21,312,418 existing ordinary shares currently held in the employee benefit trust under the terms of the New Share Scheme.*

*The Directors, with the exception of Andrew Knott and Isatou Semega-Janneh as beneficiaries of the New Share Scheme, having consulted with Strand Hanson Limited, the Company's nominated adviser, consider that the terms of the proposed award to Andrew Knott is fair and reasonable insofar as shareholders are concerned.*

*The purpose of this resolution is for shareholders to approve the proposed share award under the terms of the New Share Scheme to the Company's Chief Executive Officer, Andrew Knott. In accordance with good corporate governance practice, Andrew Knott, his associates and 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. and the Company's Board and senior management team who hold shares in the Company shall be precluded from voting on this resolution. The shares held by the EBT will also be precluded from voting on this resolution.*

## **Warrant Cancellation**

Savannah has received confirmation from one of the Placees who participated in the Company's December 2017 Placing that its fund is unable to hold the Warrants which were awarded to it as a result of this participation. As such, a total of 640,183 Warrants will be cancelled. The total number of Warrants outstanding will therefore be 132,590,817.

*Unless otherwise defined, capitalised terms in this announcement have the same meaning ascribed to them in the Company's Admission Document dated 22 December 2017.*

### **For further information contact:**

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