

3 December 2024

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

Operational and Financial Update

Savannah Energy PLC, the British independent energy company focused around the delivery of **Projects that Matter**, provides the following financial and operational update.

Andrew Knott, CEO of Savannah Energy, said:

"I am pleased to provide an operational and financial update which demonstrates the continued progress we have made as a business in 2024. 2025 is clearly going to be an exciting year for our Company: we have a large operational programme in Nigeria which is expected to enhance both our oil and gas production levels and capacity; we intend to progress our R3 East oil development project in Niger; we continue to pursue key acquisitions in the upstream oil and gas space; and we expect to announce plans significantly expanding our renewable energy business. Fundamentally, Savannah remains unequivocally an "AND" company, seeking to deliver strong performance both for the short AND long term across multiple fronts, and pursuing growth opportunities in both the hydrocarbon AND renewable energy sectors."

Highlights

- Average gross daily production of 22.7 Kboepd for 10M 2024, in line with 10M 2023 (22.9 Kboepd);
- US 45 million Uquo Central Processing Facility ("Uquo CPF") compression project in Nigeria on track for completion of construction before year-end, with commissioning taking place in Q1 2025;
- Three gas contracts with customers agreed and extended in the year-to-date for a total of up to 105 MMscfpd;
- Conversion of both the Uquo Marginal Field (the "Uquo Field") and the Stubb Creek Marginal Field (the "Stubb Creek Field") oil mining leases to new 20-year petroleum mining leases, both effective 1 December 2023, in accordance with the Republic of Nigeria's Petroleum Industry Act 2021;
- Plans underway to commence a two-well drilling campaign on the Uquo Field in H2 2025, with an additional gas development well expected to add up to 80 MMscfpd of incremental production capability and an exploration well targeting an Unrisked Gross gas initially in place ("GIIP") of 154 Bscf of incremental gas resources.
- Progress continues on the planned acquisition of Sinopec International Petroleum Exploration and Production Company Nigeria Limited, whose principal asset is a 49% non-operated interest in the Stubb Creek Field (the "SIPEC Acquisition"), consolidating our interest in the field, with regulatory approval being targeted in early 2025;
- US 60 million reserve-based lending ("RBL") facility signed in October 2024 with The Standard Bank of South Africa Limited and Stanbic IBTC Bank Limited to fund the SIPEC Acquisition;
- Up to 696 MW of renewable energy projects currently in motion, including the up to 250 MW Parc Eolien de la Tarka wind farm project in Niger and the up to 95 MW Bini a Warak hybrid hydroelectric and solar project in Cameroon;
- The Company continues to target a portfolio of up to 2 GW+ of renewable energy projects in motion by end 2026;
- 10M 2024 Total Income¹ of US 320.3 million (10M 2023: US 231.0 million) and 10M 2024 cash collections of US 239.8 million (10M 2023: US 189.2 million). As at 31 October 2024, cash balances were US 53.4 million (31 December 2023: US 107.0 million) and net debt stood at US 568.7 million (31 December 2023: US 473.7 million);
- Financial guidance for 2024 is reiterated at:
 - Total Revenues² 'greater than US 245 million';
 - Operating expenses plus administrative expenses³ 'up to US 75 million'; and
 - Capital expenditure 'up to US 50 million'; and

- Continuing to progress a potential alternative transaction structure to acquire a material stake in producing oil and gas assets in South Sudan.

Hydrocarbons Division

Nigeria Existing Business

Average gross daily production was 22.7 Kboepd for 10M 2024 (10M 2023: 22.9 Kboepd), of which 88% was gas (10M 2023: 91%).

The US 45 million compression project at the Uquo CPF is progressing on track and on budget with construction anticipated to be completed prior to year-end and commissioning to commence in Q1 2025. Completion of this project will enable us to maintain and grow our gas production levels over the medium and long-term. We would note that, however, for 2025, we do not currently anticipate any material increase in sales volumes delivered to our customers.

We are currently working on a proposed further development programme for the Uquo Field, which is expected to see an additional gas well drilled in H2 2025. The Uquo NE well ("Uquo NE") is forecast to provide gas volumes of 60-80 MMscfpd to supplement the production capacity of our current Uquo well stock. An additional exploration well in the Uquo Field ("Uquo South") is also currently under consideration, which may be drilled back-to-back with Uquo NE. Uquo South is a well targeting an Unrisked Gross GIIP of 154 Bscf of incremental prospective gas resources on the Uquo licence area.

During 2024 YTD, three gas contracts have been agreed and extended for a total of up to 105 MMscfpd, including:

- An extension of the agreement with First Independent Power Limited ("FIPL") was signed, effective January 2024, for an additional 12-month period, whereby our Accugas subsidiary is supplying FIPL's Afam, Eleme and Trans Amadi power stations with up to 65 MMscfpd of gas;
- A new 24-month agreement was signed in July 2024 by our Accugas subsidiary with Ibom Power Company Limited, owner of the Ibom power station, to supply up to 30 MMscfpd of gas. This follows the expiration of the previous 10-year agreement; and
- An extension of the agreement with Central Horizon Gas Company Limited ("CHGC") was signed in August 2024 for an additional 12-month period, whereby our Accugas subsidiary is supplying CHGC with up to 10 MMscfpd of gas.

Conversion of the Uquo Field and the Stubb Creek Field to New 20-Year Petroleum Mining Leases

The Uquo Field and the Stubb Creek Field have been converted to petroleum mining leases ("PMLs") in accordance with the Petroleum Industry Act 2021. Both PMLs have been granted for a 20-year period effective from 1 December 2023.

Nigeria Proposed SIPEC Acquisition

In March 2024, we announced the proposed acquisition (via two separate transactions) of 100% of SIPEC for a total consideration of US 61.5 million. SIPEC's principal asset is the 49% non-operated interest in the Stubb Creek Field. We are currently targeting receipt of regulatory consent for the acquisition in early 2025, with completion following later in Q1 2025.

In October 2024, our subsidiary, Savannah Energy SC Limited, signed a new 4.5 year, US 60 million RBL facility arranged by The Standard Bank of South Africa. The RBL is structured along standard terms for a facility of this nature with amortisation commencing 12 months after drawdown and carries an interest rate of SOFR + 8.5% (reducing to 8% once certain milestones have been achieved).

As at year end 2023, SIPEC had an estimated 8.1 MMstb of 2P oil reserves and 227 Bscf of 2C Contingent gas resources. Following completion of the SIPEC Acquisition, Savannah's reserve and resource base is, therefore, expected to increase by approximately 46 MMboe from 158 MMboe to 204 MMboe (on a pro-forma basis as at 1 January 2024). SIPEC oil production is estimated at an average of 1.8 Kboepd for 2024.

Following completion of the SIPEC Acquisition, we plan an expansion programme to increase the processing capacity of the Stubb Creek Field facilities. It is anticipated that this will lead to Stubb Creek Field gross production increasing from 2.6 Kboepd (average for 1 January - 31 October 2024) to approximately 4.7 Kboepd. Importantly, the SIPEC Acquisition also secures significant additional feedstock gas available for sale to our Accugas subsidiary.

Niger

We are continuing to seek to progress the 35 MMstb (Gross 2C Resources) R3 East oil development in South-East Niger. The Niger-Benin oil export pipeline, now fully operational, provides a potential route to international markets for crude oil produced from the R1234 contract area of our subsidiary, Savannah Energy Niger SA, with 90 Kboepd

reportedly being transported from the China National Petroleum Corporation-operated Agadem PSC area.

During 2024, we have sought to optimise the development plan for the R3 East Area and, whilst there is no change to our resources estimate, we now forecast a peak potential production of approximately 10,000 bopd (vs 5,000 bopd in the previous plan). Management estimates of the forecast PV10 value of the R3 East development project has also increased from US 150 million⁴ to US 210 million⁵.

Renewable Energy Division

We are currently seeking to develop a portfolio of up to 696 MW of wind, solar and hydroelectric energy projects across West Africa. Of these projects our principal focus has been on the up to 250 MW Parc Eolien de la Tarka project in Niger and the up to 95 MW Bini a Warak hybrid hydroelectric and solar project in Cameroon.

Niger Parc Eolien de la Tarka

Located in the Tahoua Region of southern Niger, Savannah's Parc Eolien de la Tarka wind farm project is anticipated to be the country's first wind farm and potentially the largest in West Africa, with a total power generation capacity of up to 250 MW. Our subsidiary, Savannah Energy RN Limited, has signed agreements with two leading international development finance institutions (the International Finance Corporation, which is a member of the World Bank Group, and the US International Development Finance Corporation, which is America's development finance institution) to fund approximately two-thirds of the pre-construction development costs of the project.

The project has made significant progress in the year-to-date with all key studies now either complete or at an advanced stage. We submitted our Environmental and Social Impact Assessment ("ESIA") scoping report to the Government of Niger and have been continuing to progress the ESIA field work additional studies required for the submission of the full ESIA report, expected in 2025. We are negotiating a term sheet in relation to the project's proposed power purchase agreement and electricity tariff and anticipate this to be agreed in the coming months.

Parc Eolien de la Tarka is expected to produce up to 800 GWh of electricity per year, representing approximately 24% of Niger's annual electricity demand, based on the country's projected energy demand in 2026. The construction phase is expected to create over 500 jobs, while the project has the potential to reduce the cost of electricity for Nigeriens and avoid an estimated 450,000 tonnes of CO₂ emissions annually.

Cameroon Bini a Warak

We continue to progress the Bini a Warak hybrid hydroelectric and solar project in Cameroon, following the approval of the optimisation and proposed redesign of the project given by the Minister of Water and Energy. The redesigned project, involving the construction of a hydroelectric dam on the Bini River in the Northern Adamawa region of Cameroon, now incorporates photovoltaic solar, raising its installed power generation capacity from up to 75 MW to up to 95 MW. Anticipated sanction for this project is in 2026, with first power targeted in the 2028 to 2029 window.

Other Projects

We continue to seek to progress a large-scale solar project in Niger, comprising two photovoltaic solar power plants of up to 100 MW each, expected to be located within 20 km of the cities of Maradi and Zinder, for which we signed an agreement with the Government of the Republic of Niger in May 2023. In H1 2024, we presented preliminary commercial and technical proposals to the Government of Niger. This project, if successfully developed, is expected to generate reliable, affordable energy for Niger and supply up to 12% of Niger's electricity demand, based on 2026 energy demand predictions. However, the priority of both the Government of Niger and Savannah is to progress the Parc Eolien de la Tarka wind farm project ahead of the solar project.

A wholly owned Savannah subsidiary has also signed an agreement with a development partner whereby an approximate 150 MW wind farm project would be developed on a 70:30 basis (in Savannah's favour), potentially further expanding the Company's geographical footprint in West Africa. This project has completed the key technical and environmental studies and has made substantial progress in negotiating the project's power purchase agreement. Savannah's commitments to invest will start upon signature of a power purchase agreement for the project, the timing of which is yet to be agreed with the country's Government and considered in the context of its wider power sector development plans, which we understand to currently be under review.

YTD Unaudited Financial Review

The Group has performed in line with expectations YTD and guidance for the full year is reconfirmed.

Highlights

Total Income¹ for 10M 2024 is US 320.3 million (10M 2023: US 231.0 million), comprising Total Revenues² of US 207.7 million (10M 2023: US 202.1 million) and Other operating income of US 112.6 million (10M 2023: US 28.9 million). Other operating income primarily relates to the re-billing of foreign exchange losses incurred through the

conversion of Naira paid invoices into US dollars.

Cash collections for 10M 2024 were US 239.8 million (10M 2023: US 189.2 million). As at 31 October 2024, cash balances stood at US 53.4 million (31 December 2023: US 107.0 million) and net debt at US 568.7 million (31 December 2023: US 473.7 million).

Adjusted EBITDA⁶ including Other operating income was US 257.3 million (10M 2023: US 170.8 million).

Debt Facilities

In January 2024, a new NGN 340 billion four year-term transitional facility was signed by Accugas with a consortium of five Nigerian banks. Year to date, NGN 279 billion of this facility has been drawn down, with the resulting funds being converted to US , which, along with cash held, has been used to partially prepay the existing Accugas US facility. It is expected that the NGN transitional facility will be fully drawn by end of 2024 and that a balance of approximately US 225 million will remain outstanding at that point under the Accugas US facility.

As contemplated in the documentation for the transitional facility, we have requested an increase in the facility to enable the remaining outstanding US balance to be converted into Naira, allowing the remainder of the Accugas US facility to be fully repaid within H1 2025. This process, when complete, will align Accugas' debt facility with the currency in which gas revenues are received.

We also continue to advance plans for a potential long-dated domestic bond issuance to ultimately replace the NGN transitional facility.

Chad Arbitration Update

As previously disclosed in Savannah's 2023 Annual Report, our wholly owned subsidiary, Savannah Chad Inc ("SCI"), has commenced arbitral proceedings against the Government of the Republic of Chad and its instrumentalities in response to the March 2023 nationalisation of SCI's rights in the Doba fields in Chad, and other breaches of SCI's rights. Another wholly owned subsidiary, Savannah Midstream Investment Limited ("SMIL"), has commenced arbitral proceedings in relation to the nationalisation of its investment in Tchad Oil Transportation Company, the Chadian company which owns and operates the section of the Chad-Cameroon pipeline located in Chad. SMIL has also commenced arbitral and other legal proceedings for breaches of SMIL's rights in relation to Cameroon Oil Transportation Company ("COTCo"), the Cameroon company which owns and operates the section of the Chad-Cameroon pipeline located in Cameroon.

We expect the arbitral proceedings to be concluded in the second half of 2025. SCI and SMIL are claiming in excess of US 840 million for the nationalisation of their rights and assets in Chad, and SMIL has a claim valued at approximately US 380 million for breaches of its rights in relation to COTCo. Whilst the Government of the Republic of Chad has acknowledged SCI's and SMIL's right to compensation, no compensation has been paid or announced by the Government of the Republic of Chad to date.

Savannah remains ready and willing to discuss with the Government of the Republic of Chad an amicable solution to the disputes. However, in the absence of such discussions, the Group intends to vigorously pursue its rights in the arbitrations.

South Sudan

As previously announced, Savannah continues discussions with the various stakeholders around an alternative transaction structure in relation to the proposed acquisition of the ex-PETRONAS assets in South Sudan. Savannah management believe that any transaction which would ultimately be completed would be on significantly different terms to that envisioned when the transaction was initially announced in December 2022 with the likely involvement of multiple acquiring parties. We continue to believe that a transaction could be potentially accretive to the Company and expect to provide a further update on progress made by mid to late December 2024.

The assets themselves are estimated to have produced an average of 81 Kbpod on a gross basis in 2024 to end October, reduced from approximately 150 Kbpod in FY 2023, given the prolonged downtime experienced by the Bashayer Pipeline Company ("BAPCO") pipeline, which exports a significant portion of the country's oil production.

For further information, please refer to the Company's website www.savannah-energy.com or contact:

Andrew Knott, CEO
Nick Beattie, CFO
Sally Marshak, Head of IR & Communications

Strand Hanson Limited (Nominated Adviser)

+44 (0) 20 7409 3494

James Spinney
Ritchie Balmer
Rob Patrick

Cavendish Capital Markets Ltd (Joint Broker)

+44 (0) 20 7220 0500

Derrick Lee
Tim Redfern

Pannure Liberum Limited (Joint Broker)

+44 (0) 20 3100 2000

Scott Mathieson
Kieron Hodgson
James Sinclair-Ford

Camarco

+44 (0) 20 3757 4983

Billy Clegg
Owen Roberts
Violet Wilson

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, as amended.

Dr Christophe Ribeiro, Savannah's VP Technical, has approved the technical disclosure in this regulatory announcement in his capacity as a qualified person under the AIM Rules. Dr Ribeiro is a qualified petroleum engineer with over 20 years' experience in the oil and gas industry. He holds an MSc in Geophysics from the Institut de Physique du Globe de Paris and an MSc in Petroleum Engineering and a PhD in Reservoir Geophysics from Heriot-Watt University. Dr Ribeiro is a member of the European Association of Geoscientists and Engineers (EAGE) and Society of Petroleum Engineers (SPE).

About Savannah:

Savannah Energy PLC is a British independent energy company focused around the delivery of ***Projects that Matter*** in Africa.

Footnotes

1. Total Income is calculated as Total Revenues² plus Other operating income.

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.

3. Group operating expenses plus administrative expenses are defined as total cost of sales, administrative and other operating expenses, excluding gas purchases, royalties, depletion, depreciation and amortisation and transaction costs.

4. Niger Competent Persons Report (2021) compiled by CGG Services (UK) Limited.

5. Management estimate as at 31 December 2024 based on R3 East development with peak production of 10,000 bopd vs. 5,000 bopd in the Niger Competent Persons Report (2021) compiled by CGG Services (UK) Limited.

6. Adjusted EBITDA is calculated as 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, share based payments, taxes, transaction and other related expenses, 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

or the business.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

UPDUOVNRS AUURRA