

19 March 2024

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

**Consolidation of Stubb Creek Field Interest**

***Share Purchase Agreements Signed to Acquire a 49% Participating Interest in Stubb Creek Field, Nigeria and Updated Nigerian CPR Published***

Savannah Energy PLC, the British independent energy company focused around the delivery of ***Projects that Matter***, announces that it has signed separate Share Purchase Agreements ("SPAs") with Sinopec International Petroleum Exploration and Production Corporation ("SIPC") and Jagal Ventures Limited ("Jagal") to acquire 100% of the outstanding share capital of Sinopec International Petroleum Exploration and Production Company Nigeria Limited ("SIPEC") (the "SIPEC Acquisition").

Savannah also announces that it has today published an updated Competent Persons Report ("CPR"), compiled by CGG Services (UK) Ltd, covering its assets in Nigeria.

**SIPEC Acquisition**

SIPEC's principal asset is a 49% non-operated interest in the Stubb Creek oil and gas field ("Stubb Creek"), located in Akwa Ibom State, Nigeria. An affiliate of Savannah, Universal Energy Resources Limited, is the 51% owner and operator.

The SIPC SPA will see Savannah Energy SC Limited (a wholly owned subsidiary of Savannah) acquire a 75% equity interest in SIPEC for cash consideration of US\$52 million, payable on completion and subject to customary adjustments for a transaction of this nature from 1 September 2023. The Jagal SPA will see Savannah Energy SC Limited acquire a 25% equity interest in SIPEC for cash consideration of US\$7.5 million (without adjustment), payable on completion, plus US\$2 million in deferred cash consideration payable in eight equal quarterly instalments post-completion. The transaction consideration is expected to be funded through a new bank debt facility arranged by The Standard Bank of South Africa Limited and the existing cash resources of the Company. Completion under each of the SPAs is subject to the parties' satisfaction of customary conditions precedent, including certain regulatory approvals, as well as a mechanism ensuring that completion under both SPAs occurs simultaneously.

As at year end 2023, SIPEC had an estimated 8.1 MMstb of 2P oil reserves and 227 Bscf of 2C Contingent gas resources. SIPEC oil production is estimated at an average for 2024 of 1.4 Kbpod. Savannah's Reserve and Resource base will increase by approximately 46 MMboe following completion of the SIPEC Acquisition.

It is anticipated that, within 12 months following completion of the SIPEC Acquisition, Stubb Creek gross production should increase by approximately 2.7 Kbpod to approximately 4.7 Kbpod through implementation of a de-bottlenecking programme.

The SIPEC Acquisition will secure significant additional feedstock gas available for sale to Savannah's 80% owned Nigerian gas processing and distribution subsidiary, Accugas Limited ("Accugas"). At present, Accugas has eight principal gas customers, including large thermal power stations, such as Calabar Generation Company Limited, as well as key industrial players, such as Lafarge Africa PLC

and the Central Horizon Gas Company Limited. With a weighted average remaining contract life of 14 years, Savannah's natural gas supplies are a critical enabler of the Nigerian economy and currently support approximately 20% of Nigeria's thermal power generation.

Since Savannah announced its intention to acquire Accugas in late 2017: (i) volumes of gas transported; (ii) the number of significant customers served; and (iii) the Company's contribution to thermal power generation in Nigeria have each more than doubled.

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

For the financial year ended 31 December 2022, SIPEC audited accounts show income after tax of US\$27.8 million (excluding exceptional income of US\$42.3 million) and total assets of US\$136.5 million.

### **Nigeria CPR Summary**

The Nigerian CPR has been published by CGG and is available to download on the Company's website (<https://wp-savannah-2020.s3.eu-west-2.amazonaws.com/media/2024/03/Nigeria-Competent-Persons-Report-18-March-2024.pdf>). A summary of the gross reserves and contingent resources associated with the Uquo and Stubb Creek fields, in accordance with the 2018 Petroleum Resource Management System, is set out in the table below. For an explanation of the defined and technical terms in this announcement, readers should refer to the updated Nigeria CPR.

#### Summary of Nigeria Gross Reserves and Contingent Resources as per the Updated Nigeria CPR

	<b>Gross 2P Reserves</b>	<b>Gross 2C Resources</b>
<b>Oil &amp; Condensate (MMstb)</b>		
Stubb Creek	11.9	-
Uquo	0.6	-
<b>Gas (Bscf)</b>		
Uquo	456.2	82.8
Stubb Creek	-	515.3
<b>Total (MMboe)</b>	<b>88.6</b>	<b>99.7</b>

*All Reserves presented above are as at 1 January 2024.*

### **Andrew Knott, CEO, Savannah Energy, said:**

*"Savannah remains committed to growing our core business in Nigeria through a combination of both value accretive acquisitions and organic projects. This is reflected in this morning's announcement of the SIPEC Acquisition. The base case acquisition has been priced in line with our expected returns criteria, with the identified upside cases (the oil de-bottlenecking and new gas sales to Accugas projects) hoped to add significant value to the Stubb Creek field over time.*

*I would like to take the opportunity to thank the members of our team who have worked diligently on this transaction to make it happen. Thank you all."*

For further information, please refer to the Company's website [www.savannah-energy.com](http://www.savannah-energy.com) or contact:

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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, as amended ("MAR").

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 Energy:**

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