

NOT FOR RELEASE OR DISTRIBUTION OR PUBLICATION IN WHOLE OR IN PART IN OR INTO THE AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SINGAPORE

24 January 2018

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

Launch of Exchange Offer for Seven's Existing Notes

Savannah is pleased to announce that for purposes of facilitating the Company's proposed acquisition of the Seven Assets it has commenced an exchange offer and consent solicitation with respect to the 10.25% Senior Secured Notes (the "**Exchange Offer**"). The Exchange Offer is subject to the terms and conditions as set forth in a confidential offering memorandum dated the date hereof (the "**Solicitation Memorandum**"), which are further described in the appendix to this announcement.

The Exchange Offer will expire at 4:00 p.m. (London time) on 6 February 2018 (unless extended) and is expected to settle on or about 9 February 2018 (unless extended). The Second Tranche Placing Shares, the EBT Shares and 233,370,985 new Ordinary Shares to be issued to the holders of the 10.25% Senior Secured Notes (which form part of the Consideration Shares) will be issued, allotted and admitted to trading on AIM shortly after settlement of the Exchange Offer. The balance of the Consideration Shares will be issued prior to Re-Admission of the Enlarged Group to trading on AIM.

The Exchange Offer is conditional upon, *inter alia*, participation by 90 per cent. of the aggregate principal amount of the 10.25% Senior Secured Notes. As of the date hereof, holders of 92.9 per cent. of the aggregate principal amount of the 10.25% Senior Secured Notes remain subject to the Lock-up Agreement entered into by Savannah, the Seven Group and certain creditors of the Seven Group dated 14 November 2017 (as amended on 21 December 2017) whereby such holders agreed (subject to the terms of that agreement) to support the Exchange Offer.

The exchange agent for the Exchange Offer is D.F. King Limited (the "**Exchange Agent**"). Any questions or requests for assistance or copies of the Solicitation Memorandum may be directed to D.F. King Limited at +1 212 269 5550 and +44 20 7920 9700, website: <https://sites.dfkingltd.com/savannah>, e-mail: savannah@dfkingltd.com.

Update on Transaction Progress and Timing

As previously disclosed, completion of the Transaction remains conditional on, *inter alia*, the Implementation Agreement being entered into, the Accugas Transaction and the Accugas Waiver becoming effective, the Frontier Agreements being entered into and becoming effective, the acceptance of the Exchange Offer, Ministerial Consent and NSEC Consent. The Company is targeting completion of the Transaction by April 2018, and intends to provide updates as and when substantive progress is made in relation to each condition.

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:

Savannah Petroleum +44 (0) 20 3817 9844
Andrew Knott, CEO
Isatou Semega-Janneh, CFO
Jessica Hostage, VP Strategy and Implementation

Strand Hanson (Nominated Adviser) +44 (0) 20 7409 3494
James Spinney
Rory Murphy
Ritchie Balmer

Hannam & Partners (Financial Adviser and Joint Broker) +44 (0) 20 7907 8500

Neil Passmore
Chris Byrne
Samuel Merlin

PJT Partners (Financial Adviser) +44 (0) 20 3650 1100

David Riddell
Matthew Slaffer
Brad Knudtson

Mirabaud Securities Limited (Joint Broker) +44 (0) 20 7878 3362

Peter Krens
Rory Scott

Celicourt Communications (Financial PR) +44 (0) 20 7520 9266

Mark Antelme
Jimmy Lea

D.F. King Limited (Exchange Agent) +44 (0) 20 7920 9700

Offer website: <https://sites.dfkingltd.com/savannah>

Project Contact e-mail: savannah@dfkingltd.com

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.

This press release is for informational purposes only and shall not constitute or form part of any prospectus, offer or invitation to sell or issue or any solicitation of any offer to purchase or subscribe for any securities the United States or in any other jurisdiction, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever relating to any securities. This announcement must be read in conjunction with the Solicitation Memorandum. This announcement and the Solicitation Memorandum contain important information which should be read carefully before any decision is made with respect to the Exchange Offer. If you are in any doubt as to the contents of this announcement or the Solicitation Memorandum or the action you should take, you are recommended to seek your own financial and legal advice, including in respect of any tax consequences, immediately from your stockbroker, bank manager, legal adviser, accountant or other independent financial adviser. Any individual or company whose 10.25% Senior Secured Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to offer 10.25% Senior Secured Notes for exchange pursuant to the Exchange Offer. None of the Company, the Exchange Agent, the trustee under the indenture under which the 10.25% Senior Secured Notes were issued (the "Indenture"), any agent under the Indenture nor any of their respective advisors makes any recommendation as to whether holders of the 10.25% Senior Secured Notes should participate in the Exchange Offer. The information provided in the Solicitation Memorandum has been provided solely by the Offeror. None of the Seven Energy Finance Limited, the Exchange Agent, the trustee under the Indenture, any agent under the Indenture, nor any of their respective advisors has independently verified and none of them makes any representation or warranty, express or implied, nor assumes any responsibility, as to the accuracy or adequacy of the information contained herein.

In accordance with normal practice, the trustee under the Indenture does not express any opinion on the information set out in this announcement or in the Solicitation Memorandum and has not been

involved in the formation of the proposals set out therein and does not make any recommendation as to any action to be taken or not to be taken by the holders of 10.25% Senior Secured Notes in relation to the Exchange Offer.

Each holder of 10.25% Senior Secured Notes participating in the Exchange Offer will be deemed to give certain representations in respect of the jurisdictions referred to below, and generally, on submission of 10.25% Senior Secured Notes for exchange in the Exchange Offer. Any tender of 10.25% Senior Secured Notes for purchase pursuant to the Exchange Offer from a holder of 10.25% Senior Secured Notes that is unable to make these representations will be rejected. Each of the Company and the Exchange Agent reserves the right, in its absolute discretion, to investigate, in relation to any exchange of 10.25% Senior Secured Notes pursuant to the Exchange Offer whether any such representation given by a holder of 10.25% Senior Secured Notes is correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation is not correct, such tender will be rejected.

Neither this announcement nor any copy of it may be taken or transmitted directly or indirectly into Australia, Canada or Japan or to any persons in any of those jurisdictions, except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of Australian, Canadian or Japanese securities laws. The distribution of this announcement in other jurisdictions may be restricted by law and persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. This announcement does not constitute, or form part of, an offer to sell, or a solicitation of an offer to purchase, any securities in the United States of America, Australia, Canada or Japan or in any jurisdiction in which such offer or solicitation is unlawful. The securities referred to herein have not been registered under the applicable securities laws of, Canada, Australia or Japan or and, subject to certain exceptions, may not be offered or sold within Canada, Australia or Japan or to any national, resident or citizen of Canada, Australia or Japan.

Recipients of this press release who intend to participate in the Exchange Offer are reminded that any such participation must only be made solely on the basis of the information contained in the Solicitation Memorandum.

Notice to U.S. investors

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States. The securities may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. There will be no public offer of the securities in the United States. Neither the United States Securities and Exchange Commission nor any state U.S. state securities commission or regulatory authority has approved or disapproved of the Exchange Offer, passed upon the fairness or merits of this announcement or determined whether this announcement is accurate or complete.

The Exchange Offer is made for the securities of a foreign company. The Exchange Offer is subject to disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in the document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws, since the Company is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue a foreign company or its

officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

You should be aware that the Company may purchase securities otherwise than under the Exchange Offer, such as in open market or privately negotiated purchases.

Forward-looking statements

This announcement contains statements that constitute forward-looking statements, beliefs or opinions, including statements relating to business, financial condition and results of operations of Savannah. These statements may be identified by words such as "expectation", "believe", "estimate", "plan", "target", "intend," "may," "will," "should" or "forecast" and similar expressions or the negative thereof; or by the forward-looking nature of discussions of strategy, plans or intentions; or by their context. All statements regarding the future involve known and unknown risks and uncertainties and various factors could cause actual future results, performance or events to differ materially from those described or implied in these statements. Such forward-looking statements are based on numerous assumptions regarding Savannah's present and future business strategies as well as the environment in which Savannah expects to operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate and Savannah does not accept any responsibility for the accuracy of the opinions expressed in this announcement or the underlying assumptions. Past performance is not an indication of future results and past performance should not be taken as a representation that trends or activities underlying past performance will continue in the future. The forward-looking statements in this announcement speak only as at the date of this announcement and Savannah and its affiliates expressly disclaim any obligation or undertaking to review or release any updates or revisions to these forward-looking statements to reflect any change in Savannah's expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based after the date of this announcement or to update or to keep current any other information contained in this announcement or to provide any additional information in relation to such forward-looking statements, unless required to do so by applicable law.

Appendix

Summary Terms and Conditions of the Exchange Offer

The following summary is provided solely for convenience and does not intend to be complete. Unless otherwise defined, capitalised terms in this appendix have the same meaning ascribed to them in the Solicitation Memorandum. Holders of Existing Notes should read the full text of the Solicitation Memorandum before making any decision with respect to their Existing Notes.

Subject to the terms and conditions set forth in a confidential offer memorandum and consent solicitation statement dated the date hereof (the "**Solicitation Memorandum**"), Savannah has commenced, for purposes of facilitating the Company's proposed acquisition of certain of the Nigerian oil and gas assets of Seven Energy International Limited ("**Seven**"), an offer to exchange (the "**Offer**") any and all outstanding US\$318,228,108 aggregate principal amount of 10.25 per cent. Senior Secured Notes due 11 October 2021 (the "**Existing Notes**") issued by Seven Energy Finance Limited (the "**Issuer**") for (i) 733 ordinary shares of the Company for each US\$1,000 of Existing Notes tendered and accepted in the Offer; and (ii) US\$126.05 in cash consideration for each US\$1,000 of Existing Notes tendered and accepted in the Offer.

In addition, holders of Existing Notes ("**Holders**") who participate in the Offer will receive an amount, in U.S. dollars, equal to the *pro rata* portion of US\$2,386,711 based on principal amount of Existing Notes that are tendered and accepted in the Offer.

The Company is also soliciting consents (the "**Consent Solicitation**" and, together with the Offer, the "**Offer and Consent Solicitation**") from Holders, upon the terms and conditions set forth in the Solicitation Memorandum, to adopt certain proposed amendments to the indenture under which the Existing Notes were issued (as amended, the "**Indenture**") that would, *inter alia*, remove restrictive, information and various compliance covenants and related events of default, remove change of control provisions, specify that the Company will not be considered an "Affiliate" (as defined in the Indenture) for purposes of any future voting with respect to the Existing Notes and make certain clarifying changes to the release of security provisions (the "**Proposed Amendments**"). Holders cannot (a) consent to the Proposed Amendments only without offering the Existing Notes for exchange; or (b) offer the Existing Notes for exchange only without consenting to the Proposed Amendments. The consents with respect to the Proposed Amendments constitute a single proposal and, accordingly, Holders of Existing Notes may only consent to the Proposed Amendments as an entirety.

The Company has the right to cancel the Offer and Consent Solicitation and to waive the conditions upon which the completion of the Offer and Consent Solicitation are subject. Subject to the foregoing, the Offer and Consent Solicitation is conditional upon, *inter alia*: (i) 90 per cent. of the aggregate principal amount of the Existing Notes participating in the Offer and Consent Solicitation (the "**Minimum Acceptance and Requisite Consents Condition**"); (ii) the second tranche of the placing contemplated pursuant to the Admission Document dated 22 December 2017 (the "**Placing**") being completed; (iii) a supplemental indenture being executed effecting the Proposed Amendments (the "**Supplemental Indenture**"); (iv) an independent valuation report being received by the Company with respect to the value of the Existing Notes; and (v) the execution and delivery of an underwriting agreement with respect to the Capital Raise (as defined below).

Holders from whom D.F. King Limited (the "**Exchange Agent**") receives an Exchange Instruction prior to the earlier of (a) the date and time at which the Supplemental Indenture is executed (which is expected to occur shortly after satisfaction of the Minimum Acceptance and Requisite Consents Condition) (the "**Effective Time**") and 4:00 p.m. (London time) on 6 February 2018 (unless extended) (the "**Expiration Deadline**") will be eligible to receive the consideration (as set forth in the table below).

Title	ISIN/Common Code	Amount Outstanding	Equity Consideration ⁽¹⁾	Cash Consideration ⁽¹⁾	Consent Fee ⁽²⁾
Seven Energy Finance Limited 10¼% Senior Secured Notes due October 11 2021	Regulation S Notes: ISIN XS1093755194 / Common Code 109375519 Rule 144A Notes: ISIN XS1093754387 / Common Code 109375438	\$318,228,108	733 ordinary shares for each \$1,000 of Existing Notes	\$126.05 for each \$1,000 of Existing Notes	\$2,386,711

(1) To be paid only to the extent that Exchange Instructions are received by the Exchange Agent prior to the Expiration Deadline and the Exchange Agent does not receive valid instructions to withdraw such Exchange Instructions prior to the Withdrawal Deadline.

(2) To be shared *pro rata* based on principal amount of Existing Notes in respect of which Exchange Instructions are received by the Exchange Agent prior to the Expiration Deadline and the Exchange Agent does not receive valid instructions to withdraw such Exchange Instructions prior to the Withdrawal Deadline.

Note: All figures are in US\$

At the Effective Time, the Issuer and the trustee under the Indenture will execute the Supplemental Indenture. From the earlier of the Effective Time and the Expiration Deadline, any Exchange Instructions may not be withdrawn. The Proposed Amendments will become operative on the settlement date, which is expected to be on or about 9 February, 2018 (unless extended) (the "**Settlement Date**"). As previously announced, the second tranche of the Placing is expected to settle concurrently with the Settlement Date.

The exchange agent for the Offer and Consent Solicitation is D.F. King Limited. Any questions or requests for assistance or copies of the Solicitation Memorandum may be directed to D.F. King Limited at +1 212 269 5550 and +44 20 7920 9700, website: <https://sites.dfkingltd.com/savannah>, e-mail: savannah@dfkingltd.com.

Rationale for the Offer and Consent Solicitation

The Offer and Consent Solicitation is a component of the proposed acquisition by Savannah of certain of Seven's assets and the associated proposed financial restructuring of Seven (the "**Restructuring**") as described in Savannah's Admission Document dated 22 December 2017, which is available on the Company's website.

Optional Election

Each Holder that participates in the Offer and Consent Solicitation shall have the option to specify their interest (the "**Optional Election**") in participating in a potential capital raise (the "**Capital Raise**") to take place concurrently with the completion date of the Restructuring. The Optional Election will convey the right but not the obligation to Holders to subscribe, on a *pro rata* basis to the Existing Notes acquired by the Company pursuant to the Offer, for US\$26,700,000 worth of ordinary shares of the Company for an aggregate cash consideration of US\$20,000,000. Holders that participate in the Offer and Consent Solicitation will also be entitled to a *pro rata* share of US\$20,000,000 senior secured notes to be issued by a holding company of the Accugas Limited midstream business (the "**Accugas Senior Secured Notes**") which is to be incorporated. Participation in the Optional Election is not an application for the purchase of or an agreement to allocate any securities. The final terms of the Accugas Senior Secured Notes will only be determined at a later date, if at all, and no assurance can be made that the Capital Raise will take place. Any offer in respect of the Capital Raise or Accugas Senior Secured Notes would take place only after the terms and conditions of such offer and the Accugas Senior Secured Notes have been finalised and provided to relevant parties.

Participation in the Offer

In order to be eligible to participate in the Offer and Consent Solicitation, Holders must deliver, or arrange to have delivered on their behalf, through Euroclear or Clearstream, Luxembourg, and in accordance with the requirements of such applicable Clearing System, a valid Exchange Instruction in the form specified by the relevant Clearing System for submission by Holders to the Exchange Agent through the relevant Clearing System and in accordance with the requirements of such Clearing System

at or prior to the Expiration Deadline, unless the Offer and Consent Solicitation is extended, re-opened or terminated as provided in the Solicitation Memorandum.

Savannah may, in its sole discretion, extend, re-open, amend or waive any condition of or terminate, the Offer and Consent Solicitation at any time prior to its acceptance thereof (subject to applicable law and as provided in the Solicitation Memorandum). Details of any such extension, re-opening, amendment, waiver, termination or withdrawal will be announced as provided in the Solicitation Memorandum as soon as reasonably practicable after the relevant decision is made. Furthermore, the Company may amend or extend any deadline at any time before 9:00 a.m. on the Business Day subsequent to its previously contemplated expiry. ***Holders are advised to consult with any bank, securities broker or other intermediary through which they hold Existing Notes when such intermediary needs to receive instructions from a Holder in order for that Holder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer and Consent Solicitation before the deadlines specified in the Solicitation Memorandum. The deadlines set by each Clearing System for the submission and withdrawal of Exchange Instructions will also be earlier than the relevant deadlines specified in the Solicitation Memorandum.***