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10 July, 2015

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

Results of Placing

Savannah Petroleum, the Niger focused oil and gas company, is pleased to announce the successful completion of the proposed placing, as announced yesterday, 9 July 2015 (the "Placing").

A total of 61,690,000 new ordinary shares of par value £0.001 each in Savannah Petroleum (the "Placing Shares") have been placed at a price of 38 pence per Placing Share, raising gross proceeds of approximately US\$36 million. Of this total, 17,136,000 Placing Shares will be subscribed direct with the Company. Mirabaud and Stifel are acting as Joint Bookrunners in respect of the Placing. Strand Hanson is acting as Nominated Adviser.

The Placing Shares being issued represent approximately 47 per cent. of the Company's existing issued ordinary share capital. The Placing Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing Ordinary Shares of the Company, including the right to receive all dividends or other distributions made, paid or declared in respect of such shares after the date of issue of the Placing Shares.

The Placing Shares are to be issued in two tranches, the second of which is conditional, inter alia, on the approval of Savannah shareholders:

First Tranche

A first tranche of 43,779,000 new Ordinary Shares (the "First Tranche Shares") will be issued immediately following settlement on 13 July 2015, raising gross proceeds of approximately US\$26 million.

Second Tranche

A second tranche of 17,911,000 new Ordinary Shares (the "Second Tranche Shares") will be issued on or before 3 August 2015, subject to, inter alia, the receipt of shareholder approval of the necessary resolutions to enable the issue of the Second Tranche Shares. The Company will be convening a general meeting for the purpose of considering, inter alia, the necessary resolutions shortly.

Application has been made to the London Stock Exchange for the First Tranche Shares, which rank pari passu with the Company's existing issued Ordinary Shares, to be admitted to trading on AIM. Dealings are expected to commence at 8.00 a.m. on or by 13 July 2015. Following the issue of the 43,779,000 First Tranche Shares, the Company will have 175,116,172 Ordinary Shares in issue and there are no shares held in treasury. This is the total number of voting rights in the Company and may be used by shareholders as the denominator for the calculations by which they determine if they are required to notify their interest in, or change to their interest in, the Company under the Disclosure Rules and the Transparency Rules.

Andrew Knott, CEO of Savannah Petroleum, said:

"The planned acquisition of the R3/R4 PSC Area represents a landmark transaction for Savannah. Assuming award, we expect to have licensed approximately 50 per cent of the area we refer to as the Agadem Rift Basin. I believe this award would therefore place our Company in a strong position going forward, given the unique scale, favourable risk profile and cost structure of our acreage.

I would firstly like to take the opportunity to thank the Government of Niger for agreeing to award Savannah the R3/R4 PSC. Since entering Niger, Savannah has sought to be a Company which meets its commitments and to date I believe we have done this. We are highly excited by the potential of our acreage and look forward to commencing what we expect to be an aggressive exploration programme over the coming years which we hope will deliver material benefits for all of our stakeholders.

Secondly, I would like to reflect the gratitude the Company has for the support it has received from its new and existing shareholders. It has been particularly pleasing to note that each of our major institutional shareholders have participated in the Placing. The fact we have also introduced several other long-term orientated shareholders to our register this morning is also highly encouraging.

Lastly, I would like to thank our staff and core advisory team who have worked tirelessly over the course of the past year to get the Company to this point. I believe they have performed excellently and I have no doubts that they will continue to do so going forward. Our organisation is strongly focused around moving as quickly as possible toward the recommencement of exploration activity in our license areas later this year and I look forward to updating shareholders on the progress we make towards this goal over the course of the coming months."

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This announcement includes statements that are, or may be deemed to be, "forward-looking statements", including within the meaning of Section 27A of the US Securities Act and Section 21E of the U.S. Securities Exchange Act of 1934. These forward-looking statements are based on the Company's current expectations and projections about future events and can be identified by the use of a date in the future or forward-looking terminology, including, but not limited to, the terms "may", "believes", "estimates", "plans", "aims", "targets", "projects", "anticipates", "expects", "intends", "will", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts and include statements regarding the Company's intentions, beliefs or current expectations. They are not guarantees of future performance. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements. Any forward-looking statements in this announcement reflect the Company's view with respect to future events as at the date of this announcement and are subject to risks relating to future events and the Company's operations, results of operations, financial condition, growth, strategy, liquidity and the industry in which the Company operates. No assurances can be given that the forward-looking statements in this announcement will be realised. Neither the Company, Mirabaud, Stifel or Strand Hanson undertake any obligation nor do they intend to revise or update any forward-looking statements in this announcement to reflect events or circumstances after the date of this announcement (except, in the case of the Company, to the extent required by the Financial Conduct Authority (the "**FCA**"), the London Stock Exchange or by applicable law, the AIM Rules or the Disclosure Rules and Transparency Rules). None of the future projections, expectations, estimates or prospects in this announcement should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the announcement. As a result of these risks, uncertainties and assumptions, prospective investors should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise. The Company undertakes no obligation to update the forward-looking statements in this announcement or any other forward-looking statements it may make. Forward-looking statements in this announcement are current only as of the date on which such statements are made.

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Any indication in this announcement of the price at which Placing Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this announcement is intended to be a profit forecast and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company. The price of Placing Shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the Placing Shares.

The Placing Shares will not be admitted to trading on any stock exchange other than the London Stock Exchange.

Neither the content of the Company's website (or any other website) nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this announcement.