

ASX ANNOUNCEMENT

6 April 2023

Compliance with Listing Rule 10.1

On 29 March 2023, Savannah Goldfields Limited (**SVG** or **Company**) received a letter from the ASX (**ASX Letter**) in connection with a longstanding loan facility from around 2007 to date, with Bizzell Nominees Pty Ltd, a company associated with Mr Stephen Bizzell, the Company's Chairman (**Loan Facility**). As reported in SVG's Half Year Report for the period ended 31 December 2022, the Loan Facility currently has a limit of \$6,500,000 with an expiry date of 30 June 2024 and an interest rate of 8% per annum. The Loan Facility is secured over the assets of the Company by way of a second ranking security and is drawn to approximately \$100,000 as at the date of this letter. The Loan Facility has been disclosed in each of the Company's Annual Reports since 2007.

The ASX Letter advised that, as the Loan Facility (which is greater than 5% of SVG's equity interests) is secured over SVG's assets, and due to the fact that Listing Rule 10.1.1 applies to Mr Bizzell, ASX considers that Listing Rule 10.1 applies to the Loan Facility. Shareholder approval under Listing Rule 10.1 was not sought by the Company when the Loan Facility was put in place around 2007.

SVG notes that it is not uncommon for directors of small cap ASX listed companies to provide loan funding to these companies on the basis that third party lenders may not be accessible on commercially competitive terms. The board of SVG (with Mr Bizzell abstaining) considers the Loan Facility to be on arms' length commercial terms and has been provided in good faith to fund the Company's operations.

SVG however acknowledges the inadvertent breach of Listing Rule 10.1 in connection with the grant of security for the Loan Facility, which was caused by an oversight at the time the loan was put in place around 2007. In the spirit of co-operating with the ASX, SVG and Bizzell Nominees Pty Ltd have agreed that the security over the assets of the company will be released from the date of this announcement, so that the Loan Facility will be unsecured. The Company notes that, absent the security, the provision of the Loan Facility would otherwise comply with the Listing Rules.

ASX has accepted the remedial action taken by SVG. SVG considers that its current compliance practices are sufficient but acknowledges its ongoing obligations to ensure that it continues to comply with the Listing Rules.

This Announcement is Authorised by the Board of Directors

For further information, please contact:

Stephen Bizzell (Chairman)

P (07) 3108 3500

E admin@savannahgoldfields.com