

ASX ANNOUNCEMENT

22 May 2024

UPDATE ON SALE OF ASHFORD COKING COAL PROJECT

The Directors of Savannah Goldfields Ltd (**Savannah** or **the Company**) (ASX : **SVG**) advise that Savannah has entered into a Letter Deed of Variation with respect to the Share Purchase Agreement for the sale of Savannah's remaining shareholding in Renison Coal Pty Ltd, the entity that owns the Ashford Coking Coal Project, to Clara Resources Australia Ltd (**Clara**). The entering into the Share Purchase Agreement together with other ancillary transaction documents (**Definitive Transaction Agreements**) was advised in Savannah's ASX Announcement of 3 May 2024.

Pursuant to the Letter Deed of Variation, the transaction terms have been amended from the Definitive Transaction Agreements entered into on 3 May 2024 to extend the Completion Date to 12 June 2024, to bring forward payment of \$800,000 of previously contingent consideration and to increase the aggregate consideration to be received by \$200,000. The consideration to be received by Savannah for the sale of its remaining shareholding interest in Renison Coal Pty Ltd and the timing of payment now comprises:

- Upfront consideration of:
 - \$750,000 cash to be paid to Savannah by 29 May 2024.
 - \$3,010,000 cash to be paid to Savannah at Completion, with completion to occur by 12 June 2024; and
 - 11.1 million Clara ordinary shares (which were issued on 3 May 2024) which has taken Savannah's shareholding interest in Clara to approximately 19.5%;
- Deferred consideration of \$300,000 cash to be paid by Clara to Savannah by no later than 31 July 2024.
- A retained royalty interest for Savannah to be paid \$0.75 per tonne for every tonne of coal produced from the Ashford project. The current Indicated and Inferred Resource at Ashford is 14.8 million tonnes¹ of in-situ coal.

Pursuant to the Letter Deed of Variation, Clara can extend the Completion Date to 21 June 2024 with the payment of a \$100,000 extension fee and can further extend the Completion Date to 1 July 2024 with a further \$100,000 extension fee.

¹ Refer to Savannah ASX announcement dated 20 November 2017

Completion of the sale of Savannah's remaining shareholding in Renison Coal Pty Ltd will allow Savannah to bring forward realisation of value for the Ashford Project for Savannah shareholders. It allows Savannah to remain focussed on and provides funding for progressing our gold mining and exploration projects in North Queensland and provides a 'pure play' gold investment profile for Savannah investors. Savannah shareholders will retain considerable exposure to the Ashford Coking Coal Projects' future potential through the ~19.5% shareholding interest in Clara and the retained royalty interest on coal sold from the project.

This Announcement is Authorised by the Board of Directors

A handwritten signature in purple ink that reads "Paul Marshall".

Paul Marshall
Company Secretary

For further information contact:

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The information relating to the Mineral Resources at the Ashford Coking Coal Project is extracted from the ASX Announcement as follows:

ASX Announcement titled:

'Ashford Coking Coal Project - Increased Resource' dated 20 November 2017.

The report is available to view on the Savannah Resources website www.Savannahresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and also "Australian Guidelines for the Estimation and Classification of Coal Resources, (2014)". The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.