



savannah resources plc

**SAVANNAH
RESOURCES PLC**

AIM: SAV

RNS – 23 December 2016

Savannah Resources Plc / Index: AIM / Epic: SAV / Sector: Mining

**PROJECT
PORTFOLIO**

**MINERAL
SANDS**

MOZAMBIQUE
(CONSORTIUM
AGREEMENT WITH
RIO TINTO)

COPPER/GOLD
OMAN

LITHIUM
FINLAND

Savannah Resources Plc

Issue of Options

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), announces that it has granted options over 1,500,000 ordinary shares of 1 pence each in the Company ('Share Options').

The Share Options are being issued to certain employees in recognition of both their significant contribution towards progressing Savannah's portfolio of development projects in 2016 and also as part of attracting talented personnel to the Company.

The Share Options have an exercise price of 7.59p and an exercise period limit of four years; 50% will vest after 12 months of completed service and 50% after 24 months of completed service. The exercise price represents a premium of 35% to the closing price on 21 December 2016 and a premium of 53.5% to the 60 day VWAP.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

****ENDS****

CONTACT US

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Notes

Savannah Resources Plc (AIM: SAV) is a growth oriented, multi-commodity, development company.

Mozambique

Savannah operates combined heavy mineral sands projects in Mozambique with Rio Tinto, and can earn a 51% interest in the combined Consortium Project, which has an established initial Indicated and Inferred Mineral Resource Estimate of 3.5 billion tonnes at 3.8% THM over the Jangamo and Dongane deposits. Under the terms of the agreement with Rio Tinto Savannah must deliver the following to earn corresponding interest in the Consortium Project: scoping study - 20%; pre-feasibility study - 35%; feasibility study – 51%. Additionally, the Consortium Agreement includes an offtake agreement on commercial terms for the sale of 100% of production to Rio Tinto (or an affiliate).

Oman

Savannah has interests in two copper blocks in the highly prospective Semail Ophiolite Belt in Oman. The projects, which have an Indicated and Inferred Mineral Resource of 1.7Mt @ 2.2% copper and high grade intercepts of up to 56.35m at 6.21% Cu, with additional gold upside potential, provide Savannah with an excellent opportunity to potentially evolve into a mid-tier copper and gold producer in a relatively short time frame. Together with its Omani partners (Savannah is earning a 65% shareholding in the Omani company, Al Thuraya LLC, the owner of the Block 4 Project and is a 65% shareholder in Al Fairuz Mining, the holder of the Block 5 licence), Savannah aims to outline further mineral resources to provide the critical mass for a central operating plant to develop the deposits, and in December 2015 outlined exploration targets of between 10,700,000 and 29,250,000 tonnes grading between 1.4% and 2.4% copper.

Finland

Savannah has Reservation Permits over two new lithium projects, Somero and Erajarvi, covering an area of 159km² in Finland. Savannah holds a 100% interest in these projects through its Finnish subsidiary Finkallio Oy. Geological mapping by the Finnish Government within the project areas has highlighted the presence of lithium minerals spodumene, lepidolite and petalite with the Government also identifying Somero and Erajarvi as one of the most prospective areas to discover lithium deposits in Finland. Savannah plans to initiate an exploration programme including data compilation, geological mapping and surface sampling with the aim of generating drill ready targets during 2016.