



savannah resources plc

SAVANNAH
RESOURCES PLC

AIM: SAV

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Savannah Resources Plc

Oman Copper Projects Update Mahab 4 and Maqail South Licencing and Studies

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), the AIM quoted resource development company, announces that it has now lodged the Environmental Impact Assessment ('EIA') scoping documents (first part of licencing) for the Mahab 4 mine development and both the scoping EIA and the full EIA for the Maqail South mine development (Figure 1) in Block 5, Oman. Savannah is a 65% shareholder in Al Fairuz Mining, the holder of the Block 5 licence.

HIGHLIGHTS:

- Applied for mining licences over the Mahab 4 and Maqail South deposits
- Eight Ministerial approvals are required for the grant of mining licences – to date four Ministries have provided sign-off for each of Mahab 4 and Maqail South
- Significant progress made in the key, four-stage environmental licencing process with the Ministry of Environment and Climatic Affairs ('MECA') for both the Mahab 4 and Maqail South Projects
 - Stage 1: EIA Scoping documents for both Mahab 4 and Maqail South have been lodged
 - Stage 2: environmental baseline studies for both Mahab 4 and Maqail South completed
 - Stage 3: preparation of full EIA well advanced with Mahab 4 and due for lodging in April 2017 and Maqail South was lodged 28 March 2017
 - Stage 4: preparation of Permit applications for both Mahab 4 and Maqail South underway
- Licencing process and mining studies continues to advance as Savannah moves towards a final investment decision in late 2017, with mining targeted to commence by the end of the year

David Archer, Savannah's Chief Executive Officer said today "We have been making very positive progress since the mining licence applications for our high-grade copper Mahab 4 and Maqail South deposits were lodged with the Public Authority for Mining ('PAM') on 30 June 2016. To this end, I am pleased to report that we have received excellent support from PAM and the associated Ministries, which I believe is testament to our company and development approach. We are also working very closely with MECA, which regulates this key approval.

PROJECT
PORTFOLIO

MINERAL
SANDS

MOZAMBIQUE
(CONSORTIUM
AGREEMENT WITH
RIO TINTO)

COPPER/GOLD
OMAN

LITHIUM
FINLAND

“In addition to our licensing efforts and to ensure timely delivery of the projects, a series of parallel studies are underway including finalising and auditing of the resources for Mahab 4 and Maqail, additional metallurgical test work including tailings thickening test work and the development of a detailed mine design and production plan for the two mines. We are also assessing several processing plant turn-key solutions.

“The granting of our mining licences will mark a major milestone in our project’s development as we continue to target the commencement of mining by the end of 2017. We are keen to lead the way and deliver the first new copper mine development in Oman in a number of years.”

Figure 1. Project Location Map



ENVIRONMENTAL LICENCING FOR MINING PROJECTS IN OMAN

The primary requirements of MECA to obtain an environmental licence for a mining project include but are not limited to the following:

- **Stage 1:** Prepare and submit a Scoping and Strategy for Assessment Document:

- Completed for both Mahab 4 and Maqail South
- **Stage 2:** Undertake baseline monitoring reflecting possible emissions and land impacts arising from the mine development and operation:
 - Completed for both Mahab 4 and Maqail South
- **Stage 3:** Prepare and submit an EIA document consistent with good Omani and international practice taking into consideration comments (if any) on the Scoping and Strategy for Assessment Document:
 - Mahab 4 due for submission in April 2017 and Maqail South submitted 28 March, 2017
- **Stage 4:** Prepare and submit a permit application form in the prescribed manner:
 - Currently in preparation for both Mahab 4 and Maqail South

MAHAB 4 AND MAQAIL SOUTH LICENCING UPDATE

Savannah is now advanced significantly with the licensing of both the Mahab 4 and Maqail South Projects, with Table 1 summarising the current position of the licensing process.

Table 1. Summary of Licensing Progress

Project	EIA Scoping Study	Baseline Studies	Full EIA	Permit Application
Mahab 4	Lodged with MECA	Completed	Due for submission April 2017	Under Preparation
Maqail South	Lodged with MECA	Completed	Lodged with MECA 28 March 2017	Under Preparation

Competent Person

The information in this document that relates to exploration results is based upon information compiled by Mr Dale Ferguson, Technical Director of Savannah Resources Limited. Mr Ferguson is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Ferguson consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

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, mineral development company.

Mozambique

Savannah operates the Mutamba heavy mineral sands project in Mozambique in collaboration with Rio Tinto, and can earn a 51% interest in the related Consortium, which has an established initial Indicated and Inferred Mineral Resource Estimate of 4.4Bt at 3.9% THM over the Jangamo, Dongane and Ravene deposits. Under the terms of the Consortium Agreement with Rio Tinto, upon delivery by Savannah of the following, Savannah will earn the corresponding interest in the Mutamba 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 gold credits, 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 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 has highlighted the presence of seven pegmatites across the licence areas - two on Somero and five on Erajarvi – with key lithium minerals petalite, spodumene and lepidolite all identified in hand specimens. Follow up work to further expand and define the pegmatites in readiness for drilling is being planned for the second quarter of 2017 (after winter).

The information in this document that relates to the resource estimation is based upon information compiled by Mr Colin Rothnie, an independent consultant. Mr Rothnie is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Rothnie consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.