



savannah resources plc

SAVANNAH
RESOURCES PLC

AIM: SAV

RNS – 12 May 2017

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Savannah Resources Plc

PROJECT PORTFOLIO

Mahab 4 and Maqail South Copper Mine Licencing and Studies Update

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') for the Mahab 4 copper mine development. This completes the final permitting submission requirement for Mining Licence applications at both its Mahab 4 and Maqail South deposits, which are located in Block 5. Savannah is a 65% shareholder in the Omani company Al Fairuz Mining, the holder of the Block 5 licence.

HIGHLIGHTS:

- All regulatory applications for copper mine development at both Mahab 4 and Maqail South now made
- Final EIA applications submitted to the Ministry of Environment and Climatic Affairs ('MECA'), fulfilling final permitting requirements in Mining Licence applications
 - Maqail South EIA lodged on 28 March 2017 and Mahab 4 EIA lodged on 4 May 2017
 - EIA approval process expected to take around three months assuming there are no delays or requests for additional information by the government; and
- Targeting open-pit mining at Maqail South and underground mining at Mahab 4
- Preparation of an Economic Study on copper mine development continues to progress well with work expected to be completed during July 2017*
- Additional metallurgical test work and the development of a detailed mine design and production plan for the two mines being undertaken

*Being undertaken by Independent Metallurgical Operations Pty Ltd ('IMO') who are well experienced in copper mine studies, process flow sheet designs and metallurgical test work – clients include Oz Minerals, Sandfire Resources and Xstrata Copper.

Savannah's CEO, David Archer said: "We have completed the fourth and final stage of the environmental application process with the lodging of our EIA permit applications. Accordingly, all regulatory applications for copper mine development at both Mahab 4 and Maqail South have now been submitted. Whilst we await the granting of our Mining Licences, I am pleased to report that we remain highly active in order to ensure the timely delivery of these copper mines. This includes appointing IMO to undertake an Economic Study, auditing the resources at both deposit areas, conducting additional metallurgical test work including tailings thickening, and developing

MINERAL
SANDS
MOZAMBIQUE
(CONSORTIUM
AGREEMENT WITH
RIO TINTO)

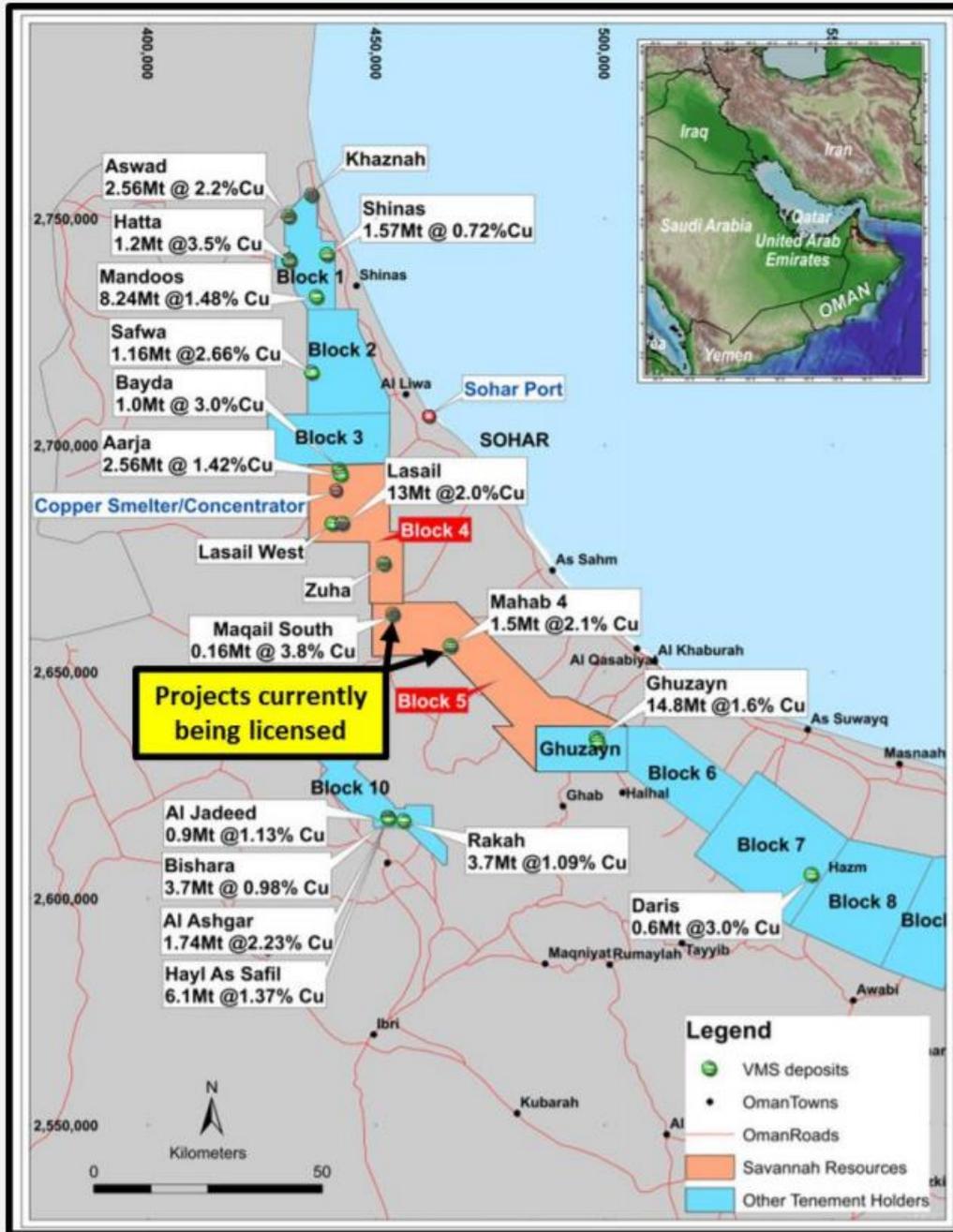
COPPER/GOLD
OMAN

LITHIUM
FINLAND

a detailed mine design and production plans. We are also assessing several processing plant turn-key solutions.

“This is undoubtedly set to be an exciting year for Savannah, which should see us transition from a development company, to a mining company and we are keen to lead the way and deliver the first new copper mine development that Oman will have seen for several years.”

Figure 1. Project Location Map



Competent Person and Regulatory Information

The information in this announcement 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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About IMO

Independent Metallurgical Operations Pty Ltd (IMO) has extensive experience in the development of process flowsheets for a wide range of oxide and sulphide base metals. The IMO team has proven capabilities in the design and management of base metal test work programs, project development, commissioning and operations throughout Australia and worldwide. IMOs scope of services ranges from sample selection, ore characterisation and mineralogy, through to management of metallurgical test work, process aspects of scoping and feasibility studies and client representation onto plant commissioning, ramp up and process plant optimisation.

About Savannah

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