



savannah resources plc

SAVANNAH
RESOURCES PLC

AIM: SAV

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Mahab 4 and Maqail South Copper Mine Licencing Update

PROJECT PORTFOLIO

MINERAL
SANDS
MOZAMBIQUE
(CONSORTIUM
AGREEMENT WITH
RIO TINTO)

COPPER/GOLD
OMAN

LITHIUM
PORTUGAL
AND FINLAND

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), the AIM quoted resource development company, is pleased to announce that it has now received initial advice from the Ministry of Environment and Climate Affairs ('MECA') on the Environmental Impact Assessment ('EIA') for the development of a processing plant and tailings facility for its Block 4 and 5 copper projects in Oman.

HIGHLIGHTS:

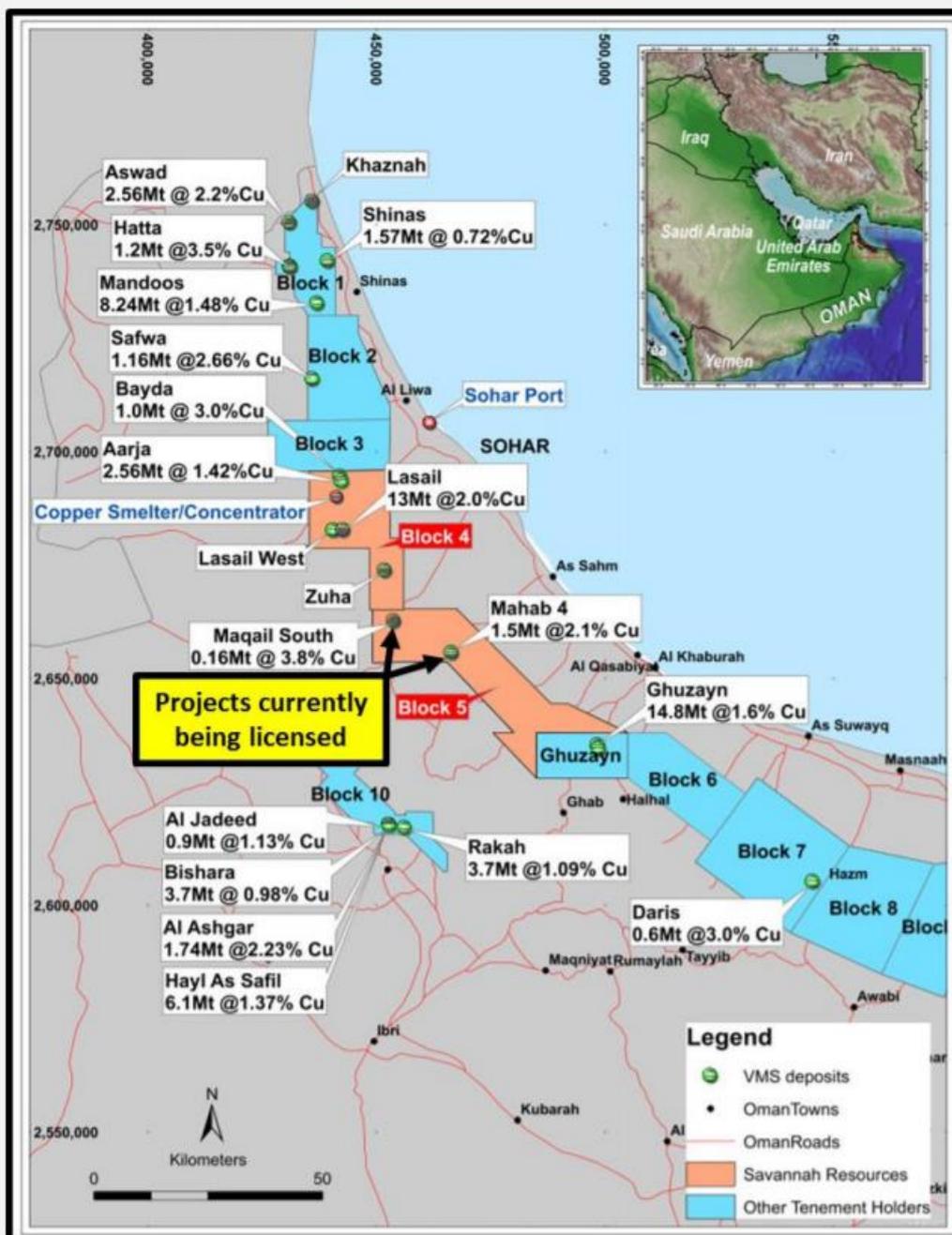
- Savannah has received in principle approval for its tailings storage facility ('TSF') concept, subject to further studies and test work being presented to MECA for review and consideration;
- The TSF concept involves the utilisation of the abandoned Lasail West pit for tailings storage
- The Lasail West pit is adjacent to the main, historic Lasail Mine which, as a large underground operation produced c. 13Mt of ore at 2% copper, and which retains excellent potential for the identification of further copper mineralisation;
- All regulatory applications for copper mine development at both Mahab 4 and Maqail South have now been submitted;
- Licensing approval process continues to progress but is taking longer than initially anticipated, which has resulted in some time loss to the proposed production schedule; and
- Mining expected to commence in H1 2018.

Savannah's CEO, David Archer said: "We are pleased that MECA has given us the green-light to consider the TSF concept we have suggested around the use of the existing abandoned Lasail West pit. This would be the first TSF of its type in Oman and we believe it would provide Savannah with an economic avenue for safe tailings storage, and at the same time would result in the overall rehabilitation of the Lasail West site, which remains of strategic resource value to the Company.

"The preliminary approval of the TSF represents another major step forward towards commencing copper production. Whilst the overall licensing process for our mine development is taking longer than we had initially planned, which means we are now

anticipating mining to start in the first half of 2018, we remain confident that these assets will be advanced into production in the near term. Our team and consultants continue to push to conclude the licensing process and we look forward to providing shareholders with further updates as appropriate.”

Figure 1. Project Location Map



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.

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****

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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 4.4 billion tonnes 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 will earn the corresponding interest in the Mutamba Project (which currently is 20% following delivery of scoping study in May 2017): pre-feasibility study - 35%; feasibility study – 51%. Additionally, the Consortium Agreement includes an offtake agreement on commercial terms for the sale of 100% of heavy mineral concentrate 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.

Portugal

Savannah holds a 75% interest one mining licence and nine prospective applications for the exploration and development of lithium, covering an area in excess of 1,018km² in northern Portugal. This includes the highly strategic Mina do Barroso prospect, which with an approved Mining Plan ('MP'), Environmental Impact Assessment ('EIA') and a 30-year mining concession/Mining Licence ('ML'), means that with a defined JORC resource a development decision could be made as early as Q4 2018.

Finland

Savannah has Reservation Permits over two lithium projects, covering an area of 159km². Geological mapping has highlighted the presence of seven pegmatites with key lithium minerals petalite, spodumene and lepidolite all identified.