



savannah resources plc

SAVANNAH  
RESOURCES PLC

AIM: SAV

9 October 2018

## Savannah Resources Plc

### Settlement of Portuguese Project Deferred Consideration

Savannah Resources plc (AIM: SAV and SWB: SAV) ('Savannah' or 'the Company'), the AIM quoted resource development company, announces that it has commenced the settlement of the second, and final, deferred consideration tranche in accordance with the terms of the acquisition of the Company's portfolio of Portuguese projects in May 2017, which includes the flagship Mina do Barroso Project ('Milestone 2').

#### Issue of Milestone 2 Deferred Consideration – Further Detail

In accordance with the share purchase agreement dated 24 May 2017 between the Company and the vendors of the Company's Portuguese lithium portfolio, the Company has commenced the settlement of the Milestone 2 deferred consideration of AUD1.5M cash and the issue of 20,000,000 new ordinary shares of 1 pence each in the capital of the Company ("Ordinary Shares") which will be subject to orderly market provisions for six months ('Deferred Equity Consideration'). The Milestone 2 payment was triggered following the Company's announcement dated 10 September 2018, in which Savannah reported Western Europe's largest JORC-compliant spodumene lithium Mineral Resource of 20.1Mt at 1.04% Li<sub>2</sub>O. This comprises a further JORC-compliant Mineral Resource of 7.5Mt at no less than 1% Li<sub>2</sub>O in excess of the Milestone 1 target (initial JORC-compliant Mineral Resource exceeding 7.5Mt at greater than 1% Li<sub>2</sub>O, which was announced on 26 February 2018 and settled in March 2018). Settlement of Milestone 2 represents the full and final satisfaction of the consideration payable to the Vendors. The Deferred Equity Consideration will be issued at 6.75 pence per Ordinary Share.

#### Voting Rights and Regulatory Information

Application will be made for the 20,000,000 Ordinary Shares, which will rank *pari passu* with the existing Ordinary Shares, to be admitted to trading on AIM ('Admission'). It is expected that Admission will become effective and dealings will commence at 8:00am on or around 12 October 2018.

Following Admission, the total issued share capital will consist of 881,316,795 Ordinary Shares. As such, the total number of voting rights in the Company will be 881,316,795 Ordinary Shares. This number may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Following the issue of the Deferred Equity Consideration Slipstream Resources Investments Pty Ltd will hold 45,000,000 Ordinary Shares in the Company, representing 5.1% of the Company's issued share capital, with voting rights, following Admission.

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

**\*\*ENDS\*\***

## CONTACT US

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## About Savannah

Savannah is a diversified resources group (AIM: SAV) with a portfolio of energy metals projects - lithium in Portugal and copper in Oman - together with the world-class Mutamba Heavy Mineral Sands Project in Mozambique, which is being developed in a consortium with the global major Rio Tinto. The Board is committed to serving the interests of its shareholders and to delivering outcomes that will improve the lives of our staff and the communities we work with.

The Company is listed and regulated on AIM and the Company's ordinary shares are also available on the Quotation Board of the Frankfurt Stock Exchange (FWB) under the symbol FWB: AFM, and the Börse Stuttgart (SWB) under the ticker "SAV".