

SAVANNAH

Mutamba Project Mining Concessions Conditionally Awarded in Mozambique

10th SEPTEMBER 2019

Highlights:

- Minister of Mineral Resources and Energy in Mozambique has conditionally awarded Mining Concessions, to Mutamba Mineral Sands SA and Matilda Minerals Lda for the Mutamba Project, covering a total area of 280.74 km² (28,074 Ha)
- Mutamba Project comprises one of the most significant undeveloped heavy mineral sands deposits in the world
- Mutamba contains an Indicated and Inferred Mineral Resource of 4.4Bt, grading 3.9% total heavy minerals
- The Mining Concessions, 9735C and 9229C, are contiguous and cover ground in the districts of Inharrime and Jangamo in southern Mozambique
- The Project benefits from high quality established transport infrastructure, these being:
 - the country's main North/South EN1 highway runs through the Project area
 - the port of Inhambane is in close proximity to the Project area
 - a daily air service runs to the nearby city of Inhambane
- Reliable grid power already installed and available in close proximity to the Concessions
- Mining License application 9228C, in the name of Mutamba Mineral Sands SA, has been upgraded on the Mozambique Ministry of Mineral Resources and Energy's mining cadastre to "Award Pending" which indicates that the grant process has reached the final stage

Savannah Resources plc (AIM: SAV, FWB: SAV and SWB: SAV) ('Savannah' or the 'Company'), is pleased to announce that the Minister of Mineral Resources and Energy in Mozambique has conditionally awarded two Mining Concessions, 9735C and 9229C, for the world-class Mutamba Heavy Mineral Sands Project ('Mutamba' or the 'Project') in Mozambique over which the Company operates a joint venture with Rio Tinto. Mining Concession 9735C has a term of 25 years to 9 April 2044 and 9229C has a term of 25 years to 6 May 2044 with the possibility of an additional 25-year extension.

David Archer, Savannah's Chief Executive Officer said; "The conditional award of these Mining Concessions to Mutamba Minerals Sands SA and Matilda Minerals Lda represents a major milestone for both the Project and for Savannah, and places our Joint Venture with Rio Tinto on a very solid foundation. The Government of Mozambique evaluated the Mining Concession applications rigorously, and we are pleased that the Mining Concessions have been conditionally awarded for a term of 25 years each upon satisfaction of customary requirements for granting of mining licenses.

“The Project area covered by the Mining Concessions contains an Indicated and Inferred Mineral Resource of 4.4Bt at 3.9% total heavy minerals and constitutes one of the largest remaining mineral sands deposits in the world that is yet to be developed.

“With the approval for award of Concession 9228C now in the final stage and given that the demand for global titanium feedstocks remains very strong, these Mining Concessions hold the potential as a significant global project within the sector.

“Finally, once these Mining Concessions are formalised, they will enable the Joint Venture to progress the PFS towards completion. Upon delivery of the PFS, our interest in this world-class heavy mineral project will rise from 20% to 35%.”

Further Information:

Three of the Mining Concession applications (9228C, 9229C, 9230C) were submitted in January 2018. The process of examining the applications commenced at the reopening of the Ministry of Mineral Resources and Energy (‘MIREME’) in April 2018; due to the significance of the Concession Project, the review was extensive and detailed and included inputs from Central, Provincial and District levels of Government. The fourth, 9735C, was submitted in September 2018.

The Mining Concessions have been conditionally awarded to Mutamba Mineral Sands S.A., a wholly owned subsidiary of Rio Tinto and to Matilda Minerals Lda, a wholly owned subsidiary of Savannah Resources Plc, together they form part of the Mutamba Project Joint Venture. The Mining Concessions cover a total area of 280.74km².

The Mining Concessions are very well served by road and air transport and are situated near the port of Inhambane. A 30MVA electricity substation was inaugurated in January 2019 and sits at the edge of the Project area. In addition, there is a 32MVA electricity substation less than 100km away in the town of Massinga.

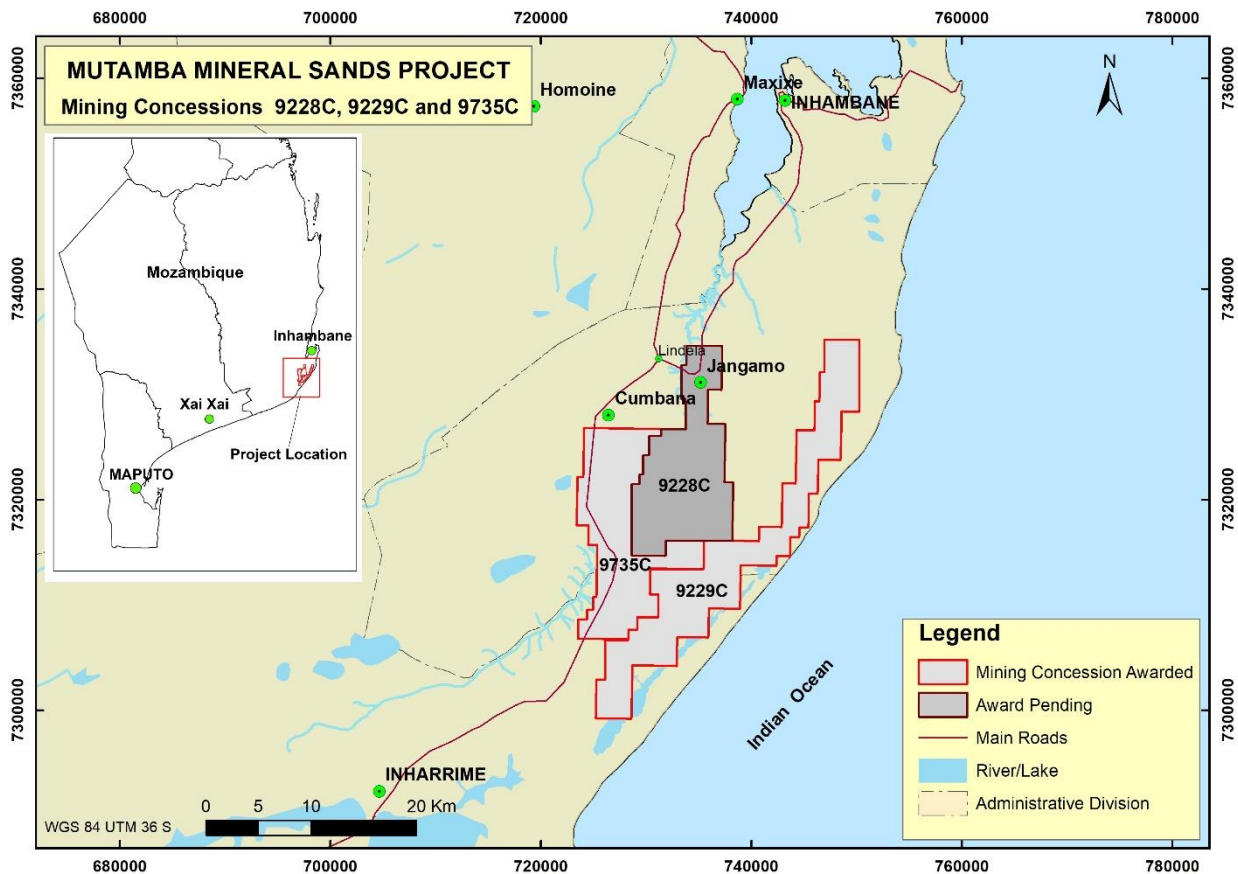
Mining License application 9228C in the name of Mutamba Mineral Sands S.A was recently upgraded to “Award Pending” on the Mozambique online mining cadastre. This indicates that the grant process has reached the final stage. Mining License application 9230C in the name of Mutamba Minerals Sands S.A., at Chilubane, Gaza Province is still under consideration.

Savannah is the operator of the Mutamba Project Joint Venture with an existing 20% interest in a Consortium Agreement with Rio Tinto, which covers the Project area. Savannah is able to increase its equity to 35% upon delivery of the Pre-Feasibility Study, which is currently underway, and ultimately to 51% upon delivery of a Feasibility Study.

Table 1. Summary of Mining Concessions Awarded

Mining Concession ID	Mining Concession Name	Area (Ha)	Square Kilometre (km ²)	Date Expires
9735C	Jangamo	11,948	119.48	09/04/2044
9229C	Dongane / Ravene	16,126	161.26	06/05/2044

Figure 1. Mutamba Mineral Sands Project Map – Mining Concessions



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 Australasian 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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For further information please visit www.savannahresources.com or contact:

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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 the communities we work with and our staff.

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: SAV, and the Börse Stuttgart (SWB) under the ticker "SAV".