



## Mina do Barroso Lithium Project – Community Newsletter June 2018 Edition

Savannah Resources PLC (“Savannah”) is a mineral exploration company listed on the London AIM stock exchange (AIM: SAV) and is developing a lithium exploration project in Barroso region.

The purpose of Savannah’s newsletter is to provide the communities surrounding the project with information about the work planned and developed by the company. You can find the previous editions on the Savannah’s website section dedicated to community (<http://www.savannahresources.com/community/portugal/>).

This newsletter is designed to be a two-way communication between the company and the community. Therefore, if there are any specific questions which you would like to have answered please contact us at [community@savannahresources.com](mailto:community@savannahresources.com) and we will endeavour to answer the question in a future edition of the newsletter.

### What has Savannah been doing during June 2018?

- Exploration activities continued with reverse circulation drilling and diamond drilling at Grandão.
- Completion of the Scoping study into the feasibility of project development
- Community engagement through community meeting

### Scoping Study

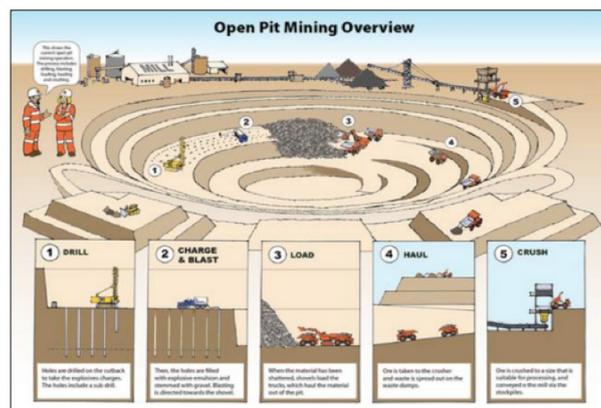
Savannah recently announce the results of the scoping study into the potential development of a mining and process operation to produce spodumene concentrate. Key findings of the study are:

- 11 year operation life
- Production of 1.0 to 1.5Mt per year
- Employment for 150 direct jobs
- Employment for 600 in direct jobs
- Wide variety of associated business and social opportunities

A key part of the scoping study is to evaluate the results from the recent drilling to identify the limits of the mining areas and select the appropriate equipment and mining methods to be used.

Possible open pit outlines were identified for Grandao, Reservatorio and NOA areas. The image in Figure 1 shows the location of pits at Grandao and Reservatorio and sections through the areas showing the depths of pits. The study identified that the spodumene mineralisation would be best extracted using open pit mining with relatively small standard mobile equipment. Figure 2 shows the various stages of the mining process which will be required to extract the rock prior to process

1. Due to the hard ground in the area, mining requires the rock to be fractured using explosives.
2. It is planned that the explosive ANFO will be used to fracture the rock this will be supplied by an external explosive manufacturer. The ANFO will be loaded into a purpose drilled holes to blast a single bench of 5m in height.
3. It is proposed that open pit mining will use 40-60tonne trucks loaded with a 60tonne excavator.
4. The mined material is then trucked to a crusher near the pit.
5. Rock is crushed to a size of 10-40mm prior to processing to extract the spodumene.



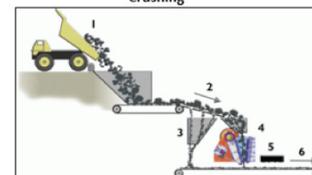
Drilling



Excavation

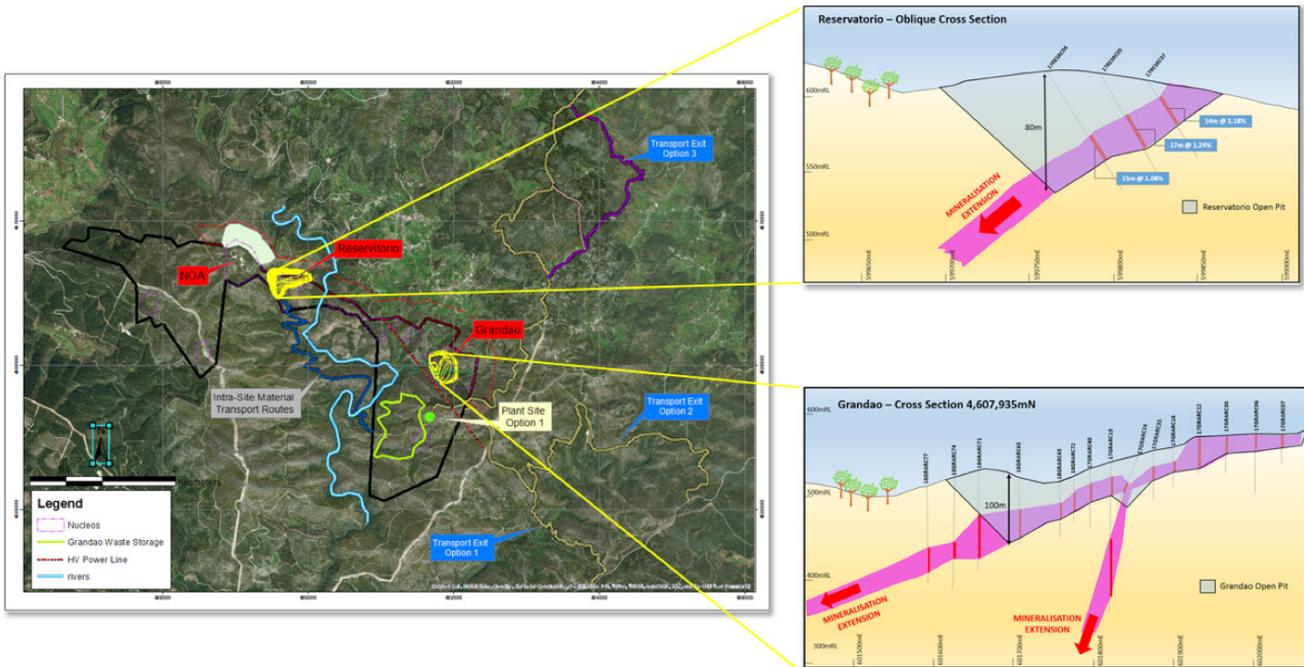


Blasting



Crushing

**Figure 1: Location of Open pits and site infrastructure**



## Community Meeting

On the 21st June a community meeting was held at the Covas do Barroso community hall to present Savannah's recent exploration and development work. The meeting was well attended and allowed the community to ask questions about the project and planned activities.

At the meeting it was agreed to form a community committee to develop a more formal and regular method of discussing the project development and answering the communities questions. It is hope the first committee meeting can be held in July.

## What has Savannah got planned for July 2018?

During the month of July Savannah will be continuing to conduct RC drilling and diamond at the Grandão prospect. Additionally, preparations for RC drilling at Reservatorio will be made.

Work will also commence on the collection on baseline environmental information across the project as part of the on-going environmental impact assessment. This will include water investigations and make assessments of back ground noise and dust levels.

Savannah is also likely to commit to the next stage of the evaluation into a potential mining and spodumene concentration plant which is the feasibility study. The feasibility is similar to the scoping study but the work is carried out in a lot more detail and a higher degree of accuracy.

## Where to find more information

There is further information on the Savannah website in the dedicated community section, the website can be found at [www.savannahresources.com](http://www.savannahresources.com). If you have a specific question or query please send an email to [community@savannahresources.com](mailto:community@savannahresources.com) a we will endeavour to answer your question as soon as we are able.

Savannah has a dedicated community relations office Marta Fernandez who is available to discuss the project with the community. Marta can be contacted on 917599130.