



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

Exploration activities continued during April, with work primarily focused on RC and diamond drilling in the Grandao or Fetchus area.

The newsletter is designed to promote two-way communication so 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 address the questions in future editions of the newsletter.

### Mineral Rights in Portugal

There have been a number of questions asked of Savannah by the local community with regards to the mining law and the rights of the company who holds those mining rights. Please find below some extracts from the mining law which we hope you will find useful on answering these questions

Minerals are the property of the public domain in Portugal and are managed by the government on behalf of all Portuguese citizens.

Access to the minerals for prospection, exploration and exploitation of geological resources (except the oil) is controlled through Decree-Law 90/90 of 16 March. The regulations outline the regulatory frameworks for access to land, environmental management and the payment of fees and mineral royalties (paid to the government).

The Direcao-Geral de Energia e Geologia (“DGEG”) within the Ministry of Economy is responsible for administering and regulating the Portuguese mineral resources industry. The DGEG is committed to ensuring that the state’s resources are developed in a way that balances best practice environmental management, economics, good science, land access and stakeholder engagement.

Minerals, as defined under the Decree-Law, include any deposits of metal or metalliferous ore, for example, iron ore, copper, gold, silver, uranium, graphite. The Decree-Law also regulates what are known as extractive minerals, including sand, gravel, shell, stone, shale and clay.

When minerals are mined in Portugal the company selling the product must pay a royalty to the Government. The royalties are set at a level that will encourage others to risk their capital in finding and developing these minerals, rather than the government risking taxpayer’s money.

Savannah Resources C100 tenement is an Exploitation Concession which has gone through due process and been approved by all relevant government departments.

### Ongoing Rehabilitation Program

Savannah is committed to high standards in exploration and rehabilitation through an ongoing a progressive program. In areas where we have not found any significant lithium mineralization the process of commencing rehabilitation of the drill sites has commenced. Below is an example of a drilling pad before and after and after rehabilitation. The sites which have been rehabilitated will continue to be monitored to ensure that the rehabilitation process has been successful.



## What has Savannah found by completing these field activities during April 2018

Exploration drilling conducted by Savannah during April has focused on Grandao, where both diamond and RC drilling has returned further encouraging zones of pegmatite. Grandao will again form the focus of activities during the coming months as we gather further information to fully evaluate its potential.



## What has Savannah got planned for May 2018

During the month of May Savannah will be continuing to conduct geological mapping, take rock chip samples and conduct further RC drilling at various locations in the project. Further RC drilling will be completed at Grandao targeting the newly identified Grandao extended zone to the west of the Grandao hill. The diamond drill rig will be operating at Grandao and Savannah's employees, consultants and drill contractors will be operating in these areas from time to time during the month. Work is also continuing on the Scoping Study which is a high level review of the potential economics of the project which is expected to be completed by the end of June 2018.

## Working with the Local Community

As part of Savannah's commitment to engaging with the local community, we plan to hold a public session in May, with a date still to be determined, where the Savannah management team will provide an overview of the company's activities and respond to any questions from the community. This session is open to all interested parties. Further detail on the date, time and location will be announced in due course.

## Meet our new Exploration Manager David (Dave) Price



Hello I am David Price, I have recently moved to Portugal with my family from Oman in the Middle East, where I spent 4 years working as the exploration Manager at Savannah's copper project. I was born in the UK but have spent the past 20 years working overseas, predominantly

in Australia as a mine and exploration geologist at gold, copper and nickel projects.

I am now excited to move to Portugal and work in such a wonderful location as Boticas and Barroso. My family will be living in Braga, with my children going to school there and we are all excited to discover life in Portugal.

My role as the Exploration Manager in Portugal will be to continue to guide the exploration activities at Savannah's projects though to a possible mine development.

## 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) as we will endeavor 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.