

Operational Update

31 March 2020

Coronavirus Pandemic Mitigation

Savannah Resources Plc ('Savannah', the 'Group' or the 'Company') provides an operational update regarding its recent and future activities in relation to the current Coronavirus pandemic (the 'pandemic').

Savannah has taken the following action across its operations in response to the Coronavirus pandemic:

- Temporarily closed all offices and arranged for all staff to work remotely
- Temporarily suspended all field activities
- Temporarily reduced the staff at the Mutamba Project camp in Mozambique to essential personnel only
- Suspended all non-essential travel
- Rearranged meetings to take place via telephone, video conferencing or online where possible

This action has helped ensure that, to date, none of Savannah's employees have shown symptoms consistent with the Coronavirus

Current work programmes:

Savannah has been able to continue with many of its key current activities although with some degree of disruption, this includes:

Mina do Barroso Lithium Project, Portugal

- Finalising the Environmental Impact Assessment & Mine Plan for submission to the national regulator shortly
- Developing a project Benefits Sharing Plan with the assistance of external, independent consultants
- Continuing advanced negotiations with potential partners regarding the commercialisation and financing of the project (offtake agreements, contract services, strategic partnerships, EU battery-related initiatives)

Mutamba Mineral Sands Project, Mozambique

- Reviewing data from recent Pre-Feasibility Study ('PFS') related fieldwork, ongoing discussions with Rio Tinto regarding PFS project scope

Block 4 & 5 Copper Projects, Oman

- Continuing the strategic review and discussions with potential acquirers of the projects

Corporate

- Presenting to institutional shareholders following 2019 Annual Results

Current cash & future financing:

- The Group reported a cash position of £3.5m at year end 2019 and has no debt
- The Group's working capital position is sufficient to maintain current work programmes
- Budgets are being reviewed in light of the pandemic and working capital will be closely managed, with cash conservation plans being implemented

David Archer, Savannah's Chief Executive Officer said, "We highlighted in our 2019 Annual Results, released on 18 March, that Savannah had already taken prompt action to protect its staff and other project stakeholders against the threat of the Coronavirus pandemic. In many cases, our decisions to close offices and cease work in the field were taken in advance of the relevant government guidelines being issued.

"Savannah routinely manages its operations using remote work practices, so the enforced temporary closure of our various offices has had minimal impact to date. Furthermore, only modest field-based activities were underway or scheduled for the short term, so Savannah is fortunate that many of its current critical tasks can be continued and completed whilst staff are working remotely. These tasks include the Mina do Barroso Environmental Impact Assessment and Mine Plan, which our team is currently finalising. Once completed, these documents will be submitted to the Portuguese regulator for consideration. At this point the Mina do Barroso team's focus will switch back to advancing the Definitive Feasibility Study ('DFS'), much of which also involves desk-based tasks using data already collected. However, the current emergency may impact on our ability to take bulk samples for metallurgical test work and to complete infill drilling as may be required for the DFS. The team will also be able to work on preparing our expanded community engagement programmes, including a Benefits Sharing Plan, which can be presented to our stakeholders in person when it is safe to do so.

"Alongside the technical work, the executive team has been able to continue negotiations with Mina do Barroso's potential commercial and strategic partners regarding lithium and co-product offtake agreements, the provision of multiple services to the project and potential investment. While these counterparties are all also dealing with Coronavirus-related challenges in their own businesses, we have observed no decline in their interest in building long term relationships with Savannah. Discussions are also continuing with EU focussed battery-related initiatives; as we have highlighted previously, Savannah is expecting to position Mina do Barroso as an important upstream component of the rapidly developing European lithium battery chain industry.

"Unfortunately, as a health necessity, fieldwork for the Mutamba Pre-Feasibility Study has been suspended at the current time. Despite the suspension of fieldwork at Mutamba, the in-country team is able to review the data collected during the recently completed initial fieldwork phase and will be liaising with our project partner, Rio Tinto, to finalise the scope and key themes of the PFS. Negotiations have also been maintained with potential acquirers of our Oman projects, which we have engaged with as part of the ongoing strategic review.

"In terms of financing our ongoing work, Savannah finished 2019 with £3.5m of cash and no debt, so we retain an adequate working capital position to fund our current work schedules during this challenging period. Looking further ahead, it has always been Savannah's intention to blend a number of sources of finance to develop the Mina do Barroso Lithium Project and we are confident that the formalisation of the commercial agreements and strategic partnerships which we are currently negotiating will help with that process. This will be either via providing capital directly for the project, or by providing the commercial structure around the project, which will help to de-risk the opportunity sufficiently to attract other forms of finance such as debt and royalties. We are also hopeful of accessing additional funding through our strengthening ties with the EU's battery-related initiatives.

"The Coronavirus pandemic is a global health crisis which we all hope will be contained in the near future. However, the duration of its impact on all facets of society is uncertain and further Coronavirus-related market volatility must be expected, as must its potential impact on the Company achieving milestone events. Savannah will continue to

closely monitor guidance on mitigating the virus' impacts and will act appropriately as guidance changes. We will also closely manage the Group's budgets and working capital position but remain confident that the Group will be able to finance and deliver on its short- and long-term goals.

"We will continue to update the market as developments emerge."

Other information

Annual General Meeting Update

The Company continues to monitor guidance and developments in respect of the holding of physical AGMs and will make an announcement in due course in respect of this. Currently, the Company's AGM must be held no later than 30 June 2020 and Savannah will respect the Government's Coronavirus guidelines and advice to avoid any infection risk to its employees, shareholders or professional advisers.

Corporate Presentation

Savannah has updated its corporate presentation which is available for download on the Company's website at www.savannahresources.com/investor-relations/presentations-and-reports

Regulatory Information

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

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About Savannah

Savannah is an energy metals group focussed on becoming the first lithium raw material producer in Europe. A fast-paced development strategy is being implemented at the Mina do Barroso Project in Portugal, which hosts Western Europe's most significant spodumene lithium resource (currently 27Mt at 1.06% Li₂O). Following completion of a positive Scoping Study on the project in June 2018, which was based on the then 14Mt resource, an 11 year operation

producing an average of 175,000t per annum of spodumene concentrate, the Company is currently undertaking a Definitive Feasibility Study and an Environmental Impact Assessment on the project. The Mina do Barroso project could produce enough lithium annually for approximately 500,000 electric vehicle battery packs.

The Company also has a Consortium Agreement with Rio Tinto on the world class Mutamba Mineral Sands Project in Mozambique and has rights to two blocks in the copper-rich Semail Ophiolite Belt in the Sultanate of Oman.

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

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