

1 September 2020

Divestment of the Company's Copper Projects in Oman

Savannah Resources plc (AIM: SAV, FWB: SAV and SWB: SAV), the resource development company, is pleased to announce that following the completion of its strategic review it has agreed to divest its copper projects in Oman (the "Projects") to Force Commodities Ltd ("Force"), an ASX listed mine development company, pursuant to the terms of a share purchase agreement (the "Transaction").

Transaction Highlights

- Consideration and other payments (subject to Settlement):
 - 50,000,000 new ordinary shares to be issued by Force (deemed issue price of 1 cent per Force share)
 - Preferential payment of AUD\$3,500,000 of an existing loan from cash flow from production
 - Payment of a 1.0% net smelter royalty on future metal sales
- Settlement of The Transaction is subject to certain conditions being achieved or waived, and is expected to be completed in October 2020
- Savannah retains exposure to the Projects' economic success

David Archer, Savannah's CEO commented: "With the Company's focus moving to the further development and subsequent commercialisation of the Mina do Barroso Lithium project in Portugal, which continues to increase in significance from a European battery value chain perspective, an opportunity has arisen to divest our Omani Copper Projects to Australian listed company Force Commodities. The divestment allows us to retain exposure to the upside of the Projects through the shareholding in Force, together with a loan and royalty payable when the Projects go into production.

"Force has recently restructured its Board and we are very excited by this opportunity to work with the impressive team that Chairman Jess Oram has established and which sees the CEO role filled by mining industry expert Simon Pooley, who brings over 30 years of broad international experience encompassing roles in corporate, mine development, operations, and exploration areas. We look forward to seeing the Projects developed to their full potential under the stewardship of Force."

Simon Pooley, Force's CEO commented "The acquisition of the Projects is a major milestone in cementing Force's position as a multi-commodity exploration and development company and represents the first step in our strategy of establishing the Company as a copper producer. The Transaction provides Force with exposure to one of the most prospective Ophiolite belts in the world."

"We believe that with the application of systematic exploration and further commercial transactions, the opportunity exists in Oman to become a significant mid-tier copper producer."

Details of the Transaction

The Transaction constitutes a substantial transaction under AIM Rule 12. The key terms are summarised below:

- Consideration (payable at Settlement):
 - Force to issue 50,000,000 new shares in the capital of Force to Savannah at a (deemed issue price of AUD\$ 1 cent per Force share). These are not subject to any trading restrictions, but Savannah does not intend to divest these.
- Payments from production:
 - Preferential payment of AUD\$3,500,000 in cash of an existing loan to the Company, which was announced on 10 April 2014, from cash flow generated from production on Block 5
 - Payment of a 1% net smelter royalty on metal sales (the 1% is pertaining to Force's proportional ownership of each project)
- Conditions for Settlement
 - Settlement of the Transaction ("Settlement") is subject to certain conditions being achieved or waived, and notably includes Force undertaking the steps necessary to be re-admitted to trading on the ASX and obtaining certain consents in Oman. This is expected to be completed in October 2020.
- Legal entity structure divestment
 - At Settlement the Company will transfer 100% ownership of Savannah Resources B.V. which in turn holds Savannah's interest in the Projects (being 65% in Block 5 via its shareholding in Al Fairuz Mining LLC and 51% (earning up to 65%) in Block 4 via its shareholding in Al Thuraya Mining LLC.

About Force

Force is a base metals exploration and development focused company headquartered in Perth, Western Australia and are listed on the Australian Stock Exchange (ASX:4CE) but are currently in voluntary suspension pending relisting. Force went into voluntary suspension in January 2020 to restructure and refinance the company and to change the senior management of the company following the failure of several of their business opportunities and the inability to raise further capital.

Over the past 6 months Force has been undergoing a structured process to relist the company including changing senior management and identifying new sources of capital. Force has steadily gained momentum during the restructure through the identification of a high-quality project for acquisition and appointments of high calibre senior professionals to its Board and Executive. The culmination of the relisting process is the injection of new funds (a process overseen by boutique corporate advisory firm 62 Capital) based on the acquisition of the Projects.

Regulatory Information

In its 2019 Financial Statements the Company reported a loss of £0.5m for the year, and assets of £5.5M (primarily intangible exploration assets) in respect of the Projects being divested under the Transaction.

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

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

Savannah Resources PLC
David Archer, CEO
Tel: +44 20 7117 2489

SP Angel Corporate Finance LLP (Nominated Advisor)
David Hignell / Charlie Bouverat
Tel: +44 20 3470 0470

finnCap Ltd (Joint Broker)
Christopher Raggett
Tel: +44 20 7220 0500

WH Ireland Limited (Joint Broker)
James Joyce/ Matt Chan (Corporate Finance)
Adam Pollock/ Jasper Berry (Corporate Broking)
Tel: +44 20 7220 1698

St Brides Partners Ltd (Financial PR)
Charlotte Page / Cosima Akerman
Tel: +44 20 7236 1177

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".