Savannah Resources Plc / Index: AIM / Epic: SAV / Sector: Mining

savannah resources plc

SAVANNAH RESOURCES PLC

AIM: SAV

RNS – 13 December 2017

PROJECT PORTFOLIO

MINERAL SANDS
*MOZAMBIQUE*
(CONSORTIUM AGREEMENT WITH RIO TINTO)

COPPER/GOLD
*OMAN*

LITHIUM
*PORTUGAL*

## Savannah Resources Plc

# Outstanding Lithium Results identified at the Mina do Barroso Lithium Project, Portugal Zone of continuous lithium mineralisation over 100m in width intersected

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), the AIM quoted resource development company, is pleased to announce new and outstanding results from the ongoing reverse circulation ('RC') drill programme at the Mina do Barroso Lithium Project ('Mina do Barroso' or the 'Project') located in Portugal (Figure 1). The drill programme, which is aiming to generate a JORC – 2012 compliant Mineral Resource Estimate, has returned significant intersections of lithium mineralisation.

**HIGHLIGHTS:**

- **Total of 66 holes for 5,558m completed to date as part of the ongoing RC drill programme**
- **Drill results from three deposits being targeted confirm the outstanding potential of Mina do Barroso – Savannah believes these intercepts represent some of the best lithium spodumene intersections ever reported for a European deposit**
- **Grandao:**
  - **Mineralised zone over 100m intersected:** results from recent drilling has recorded the broadest and most significant results for the project to date. Key results include:
    - **109m at 1.04% $Li_2O$ from surface (uncut), including 52m at 1.32% $Li_2O$ in 17GRARC17**
    - **71m at 1.06% $Li_2O$ from 88m, including 57m at 1.2% $Li_2O$ in 17GRARC19**
    - **31m at 1.2% $Li_2O$ from surface in 17GRARC12**
    - **25m at 1.15% $Li_2O$ from 36m in 17GRARC23**
  - **New high-grade zone discovered:** drill testing of a newly identified sub-vertical pegmatite body has been successful, identifying a new high-grade zone of mineralisation. Results from the first drill hole include:
    - **25m at 1.49% $Li_2O$ from 32m including 14m at 2.1% $Li_2O$ in 17GRARC20**

    - **Drill programme extended** – an additional 16 holes have been added to the drilling programme to help outline the full potential of the Grandao deposit
    - **Pegmatite and structural experts on site,** to assist in developing the mineralisation model for these outstanding new results at Grandao
- **Reservatorio:**
    - **Deposit expanded –** assay results confirm that the lithium mineralisation extends to over 400m strike length, with good down dip extensions of at least 100m. New assay results include:
        - **32m at 1.05% $Li_2O$ from 78m in 17RESRC17**
        - **15m at 1.19% $Li_2O$ from 79m in 17RESRC16**
    - **Maiden Mineral Resource Estimate for Reservatorio**, expected by the end of 2017
- **NOA – further drilling and results pending:** drilling of a further 6 holes has confirmed the presence of lithium mineralisation over a 200m strike length together with good down dip extensions of at least 50m and pegmatite widths up to 15m
- **Phase 2 of the metallurgical test work programme underway** – samples taken from Grandao, Reservatorio and NOA being tested with results expected in early 2018

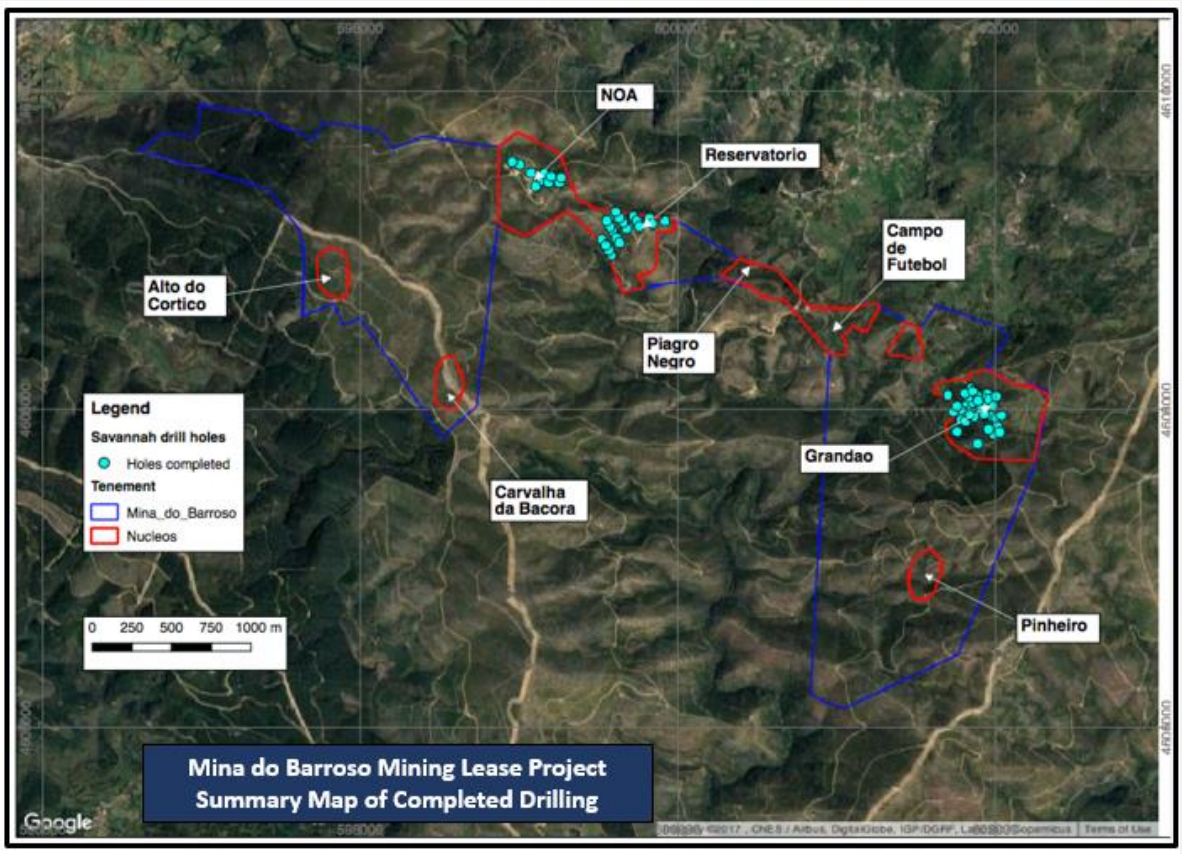
**Savannah's CEO, David Archer said:** "We believe these are outstanding results that represent some of the best lithium spodumene intersections ever reported for a European deposit. Additionally, they highlight the potential of the extensive pegmatite systems in the northern part of Portugal to host major deposits of lithium.

"The results from Grandao are particularly exciting as there are some exceptional widths and high-grades reported and the geometry of what we are seeing suggests that there is potential for a low stripping ratio, open-cut mine development. It is important to remember that all of the results are from deposit areas for which we have a granted mining lease.

"These results continue to underscore the potential of the Mina do Barroso Project to be a strategic upstream feature in the European lithium value chain. From an investment perspective, we see the Project as the closest European analogue to the very successful Australian hard-rock, open cut mine developments which produce highly sought-after lithium spodumene concentrates for international markets.

"Ongoing drilling and metallurgical test work will be used to support an early scoping study around a potential mine development."

**Figure 1.** Mina do Barroso Project Summary Map showing prospects and 2017 drilling




**Grandao**

A total of 36 drill holes for 2,809m (17GRARC01-36) have been completed targeting the flat lying pegmatite body at Grandao and two newly identified sub vertical pegmatite bodies nearby the flat body. Results for drill holes 17GRARC10 to 23 have now been received and returned the most significant set of results for the Project to date **(Table 1-3 and Figure 2-3).**

Drilling targeted at intersecting the near surface, flat or shallowly west dipping pegmatite body has continued to meet with significant success, with extensive mineralisation now being defined. Drilling has confirmed a zone of lithium mineralisation extending to over 400m in length, reaching up to 150m in width and with continuous anomalous mineralisation recorded as deep as 109m below surface. Significant drill results targeting the flat lying pegmatite body are summarised in **Table 1.**

**Table 1.** Summary of drill results for Grandao flat lying pegmatite using a 0.2% and 0.5% $Li_2O$ cut-off

| Hole ID | 0.2%$Li_2O$ Cut-off | | | 0.5%$Li_2O$ Cut-off | | |
|---|---|---|---|---|---|---|
| | From | Width | Grade | From | Width | Grade |
| 17GRARC10 | 0 | 16 | 0.87 | 4 | 12 | 1.09 |
| 17GRARC11 | NSA | | | | | |
| 17GRARC12 | 0 | 33 | 1.14 | 0 | 31 | 1.2 |
| 17GRARC13 | 18 | 16 | 1.14 | 18 | 16 | 1.14 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 17GRARC15 | 12 | 26 | 0.79 | 26 | 12 | 1.34 |
| | 42 | 11 | 0.7 | 43 | 6 | 1.01 |
| 17GRARC16 | 22 | 11 | 0.65 | 28 | 5 | 1.15 |
| 17GRARC17 | 0 | 83 | 1.08 | 4 | 52 | 1.32 |
| | 89 | 20 | 1.17 | | | |
| 17GRARC19 | 0 | 13 | 1.24 | 0 | 12 | 1.32 |
| | 17 | 6 | 0.8 | 17 | 5 | 0.91 |
| | 29 | 9 | 0.91 | 29 | 8 | 0.98 |
| | 88 | 71 | 1.06 | 88 | 57 | 1.2 |
| 17GRARC21 | 7 | 3 | 0.6 | | | |
| 17GRARC22 | 5 | 2 | 0.95 | | | |
| 17GRARC23 | 27 | 34 | 1.02 | 36 | 25 | 1.15 |

It is important to note that a number of angled drill holes will be completed in the vicinity of 17GRARC17 and 19 as part of the ongoing drill programme to confirm the current geological interpretation in this area.

In addition, mapping has highlighted a series of at least four sub-vertical pegmatite bodies, many of which can be traced over 200m in strike and in places reach widths up to 40m. Limited drill testing of two of these bodies to date has met with early success including the identification of a high-grade lithium bearing pegmatite body. Recently received results are summarised in **Table 2.**

**Table 2.** Summary of drill results for Grandao new vertical pegmatites using a 0.2% and 0.5% $Li_2O$ cut-off

| | **0.2%$Li_2O$ Cut-off** | | | **0.5%$Li_2O$ Cut-off** | | |
|---|---|---|---|---|---|---|
| **Hole ID** | **From** | **Width** | **Grade** | **From** | **Width** | **Grade** |
| 17GRARC14 | 36 | 13 | 0.63 | 36 | 6 | 0.99 |
| 17GRARC18 | 9 | 17 | 0.45 | 22 | 4 | 0.9 |
| | 40 | 17 | 0.37 | 43 | 3 | 0.89 |
| 17GRARC20 | 22 | 9 | 0.86 | 22 | 5 | 1.32 |
| | 32 | 25 | 1.49 | 32 | 22 | 1.65 |

The pegmatite bodies identified to date remain open in all directions; further work is underway including RC drilling, geological and mineralogical mapping to better understand and define the full potential of the Grandao pegmatite bodies.

**Table 3.** Summarised downhole geology for drill assays received from Grandao

| **Hole ID** | **Summarised Downhole Geology** |
|---|---|
| 17GRARC10 | Schist 0-3m, Pegmatite/Schist 3-4m; Pegmatite 4-16m; Pegmatite/Schist 16-18m; Schist 18-44m; Schist/Quartz 44-45m; Schist 45-65m; Schist/Quartz 65-68m; Schist 68-73m |
| 17GRARC11 | Schist 0-50m |

| | |
|---|---|
| 17GRARC12 | Pegmatite 0-31m; Schist/Pegmatite 31-32m; Schist 32-50m |
| 17GRARC13 | Schist/Pegmatite 2-3m; Pegmatite 3-9m; Schist/Pegmatite 9-15m; Pegmatite/Schist 17-18m; Pegmatite 18-35m; Schist/Pegmatite 35-37m; Pegmatite 45-52m; Pegmatite/Schist 52-53m |
| 17GRARC14 | Schist/Pegmatite 35-36m; Pegmatite 36-52m; Schist/Pegmatite 63-64m; Pegmatite 64-65m; Schist/Pegmatite 65-66m; Schist/Pegmatite 77-81m |
| 17GRARC15 | Schist/Pegmatite 16-17m; Pegmatite 17-18m; Schist/Pegmatite 18-19m; Schist/Pegmatite 24-26m; Pegmatite 26-49m; Schist/Pegmatite 49-54m; Pegmatite 54-58m |
| 17GRARC16 | Pegmatite 0-19m; Schist/Pegmatite 26-28m; Pegmatite 28-34m; Schist/Pegmatite 34-35m |
| 17GRARC17 | Schist/Pegmatite 4-5m; Pegmatite 5-26m; Schist/Pegmatite 26-29m; Pegmatite 29-52m; Schist/Pegmatite 52-53m; Pegmatite 53-56m; Schist/Pegmatite 56-57m; Schist/Pegmatite 59-64m; Pegmatite 64-83m; Schist/Pegmatite 83-84m; Schist/Pegmatite 88-89m; Pegmatite 89-109m |
| 17GRARC18 | Schist/Pegmatite 8-9m; Pegmatite 9-11m; Schist/Pegmatite 11-13m; Pegmatite 13-26m; Schist/Pegmatite 26-27m; Pegmatite 43-45m; Schist/Pegmatite 45-47m; Pegmatite 47-51m; Schist/Pegmatite 51-52m |
| 17GRARC19 | Pegmatite 0-11m; Schist/Pegmatite 11-13m; Pegmatite 13-24m; Schist/Pegmatite 24-26m; Pegmatite 26-27m; Schist/Pegmatite 28-30m; Pegmatite 30-34m; Schist/Pegmatite 34-35m; Schist/Pegmatite 36-37m; Pegmatite 37-41m; Schist/Pegmatite 41-42m; Schist/Pegmatite 48-49m; Pegmatite 49-57m; Schist/Pegmatite 61-62m; Pegmatite 62-63m; Schist/Pegmatite 67-68m; Pegmatite 68-70m; Schist/Pegmatite 70-71m; Schist/Pegmatite 87-88m; Pegmatite 88-158m |
| 17GRARC20 | Pegmatite/Schist 2-4m; Pegmatite 4-6m; Pegmatite/Schist 6-8m; Schist/Pegmatite 19-20m; Pegmatite 20-27m; Pegmatite/Schist 27-28m; Pegmatite/Schist 31-32m; Pegmatite 32-41m; Pegmatite/Schist 41-42m; Pegmatite 42-57m; Pegmatite/Schist 57-58m |
| 17GRARC21 | Pegmatite/Schist 6-8m; Schist/Pegmatite 8-9m; Pegmatite/Schist 9-12m; Schist/Pegmatite 12-14m; Pegmatite/Schist 14-16m |
| 17GRARC22 | Pegmatite/Schist 5-7m; Pegmatite 7-8m; Pegmatite/Schist 8-16m; Schist/Pegmatite 20-22m |
| 17GRARC23 | Schist/Pegmatite 9-10m; Pegmatite/Schist 21-28m; Pegmatite 28-52m; Pegmatite/Schist 52-54m; Pegmatite 57-60m; Pegmatite/Schist 60-63m |

**Figure 2.** Summary of drilling at Grandao showing significant assay results and holes with pending assays.

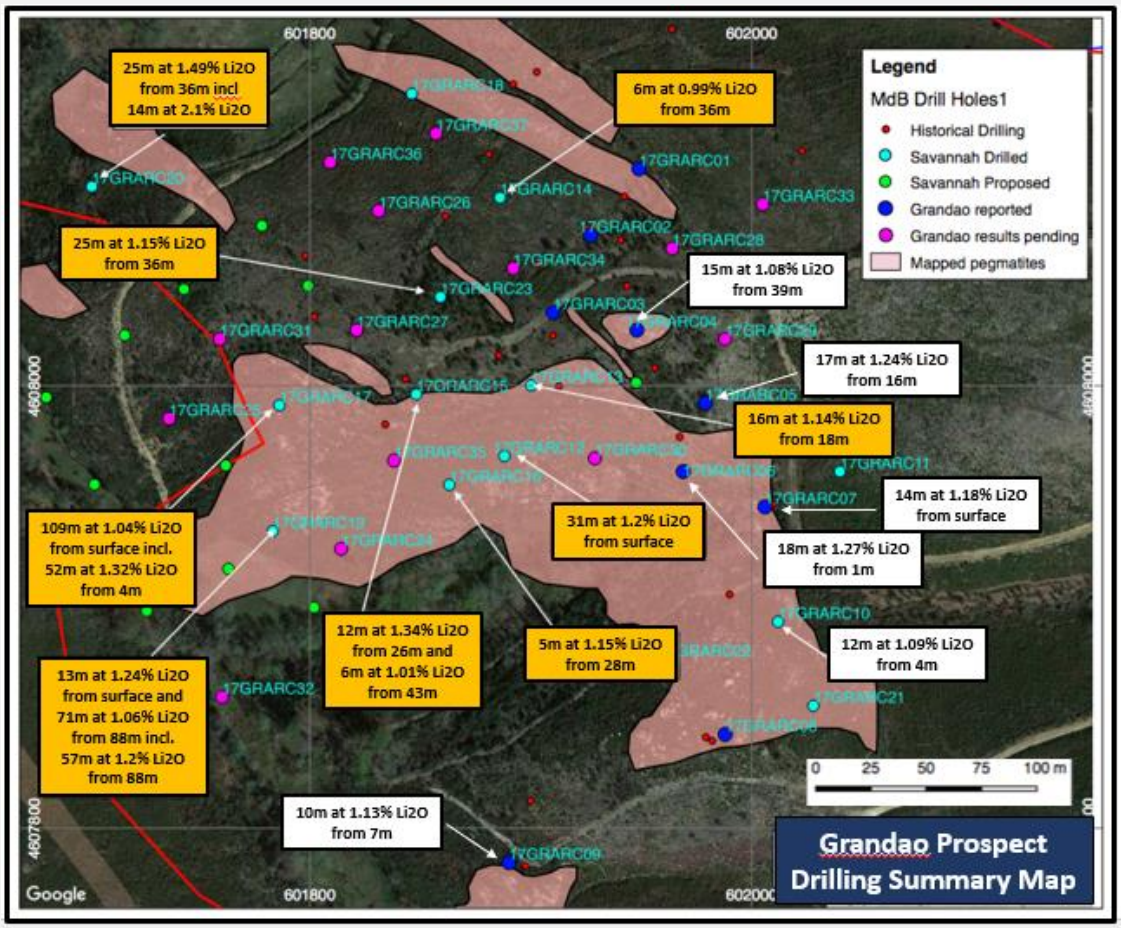



**Figure 3.** RC drill chips from 17GRARC17 which returned a result of 109m at 1.04% $Li_2O$ (uncut) from surface

**Reservatorio**

A total of 20 RC holes (17RESRC01-20) totalling 1,981m have been completed at Reservatorio and results for the last 6 holes (17RESRC15-20) have now been received **(Table 4-5 and Figure 4).** Lithium mineralisation has been identified along a 400m strike length and to a depth of at least 100m. Drilling in an area of faulting and shearing on the eastern part of the pegmatite has caused the pegmatite to become weathered resulting in some zones of near surface depletion. Further infill drilling is now required to further define these zones.

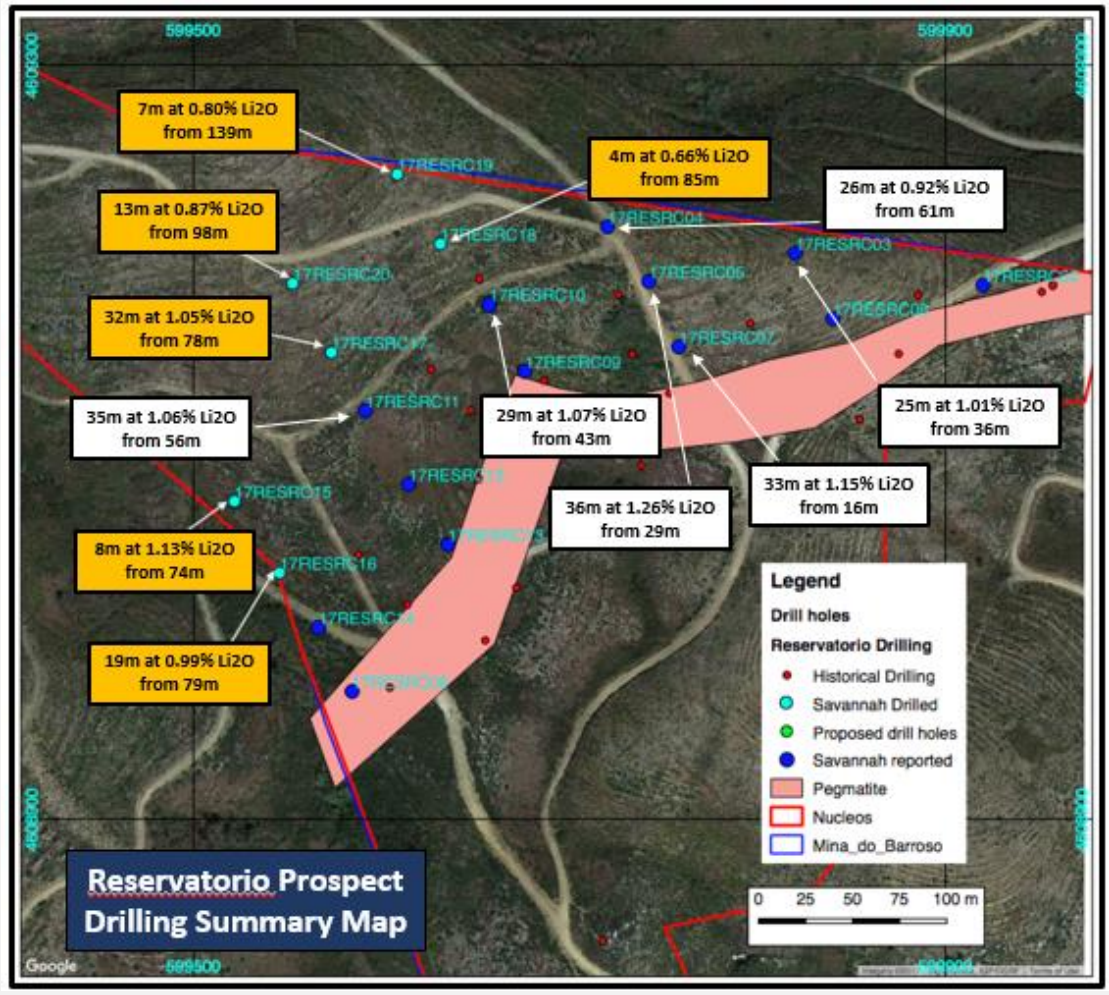
**Table 4.** Summary of drill results for Reservatorio reported at a 0.2% and 0.5% $Li_2O$ cut-off

| | **0.2%$Li_2O$ Cut-off** | | | **0.5%$Li_2O$ Cut-off** | | |
|---|---|---|---|---|---|---|
| **Hole ID** | **From** | **Width** | **Grade** | **From** | **Width** | **Grade** |
| 17RESRC15 | 73 | 11 | 0.9 | 74 | 8 | 1.13 |
| 17RESRC16 | 48 | 18 | 0.43 | 51 | 5 | 0.81 |
| | 79 | 15 | 1.19 | 79 | 19 | 0.99 |
| 17RESRC17 | 78 | 46 | 0.85 | 78 | 32 | 1.05 |
| 17RESRC18 | 80 | 23 | 0.39 | 85 | 4 | 0.66 |
| 17RESRC19 | 130 | 26 | 0.36 | 139 | 7 | 0.8 |
| 17RESRC20 | 95 | 27 | 0.71 | 98 | 13 | 0.87 |
| | 126 | 12 | 0.71 | 127 | 9 | 0.86 |

**Table 5.** Summarised downhole geology for drill assays received from Reservatorio

| **Hole ID** | **Summarised Downhole Geology** |
|---|---|
| 17RESRC15 | Schist/Pegmatite 74-45m; Pegmatite 75-82m; Schist/Pegmatite 82-83m; Pegmatite/Schist 89-90m; Pegmatite 90-91m; Schist/Pegmatite 91-92m; Schist/Pegmatite 97-98m; Pegmatite 98-110m; Pegmatite/Schist 110-111m; Schist/Pegmatite 115-116m; Pegmatite 116-117m |
| 17RESRC16 | Pegmatite 50-57m; Schist/Pegmatite 57-58m; Schist/Pegmatite 61-65m; Pegmatite/Schist 78-79m; Pegmatite 79-94m; Schist/Pegmatite 94-96m |
| 17RESRC17 | Schist/Pegmatite 78-79m; Pegmatite 79-111m; Schist/Pegmatite 111-112m; Pegmatite 114-117m; Schist/Pegmatite 117-119m |
| 17RESRC18 | Schist/Pegmatite 66-76m; Pegmatite 76-102m; Schist/Pegmatite 102-106m; Pegmatite 106-108m; Schist/Pegmatite 108-109m |
| 17RESRC19 | Schist/Pegmatite 113-114m; Pegmatite 114-119m; Schist/Pegmatite 119-121m; Pegmatite 121-149m; Schist/Pegmatite 149-151m |
| 17RESRC20 | Schist/Pegmatite 98-99m; Pegmatite 99-110m; Schist/Pegmatite 110-112m; Schist/Pegmatite 114-116m; Pegmatite 116-136m |

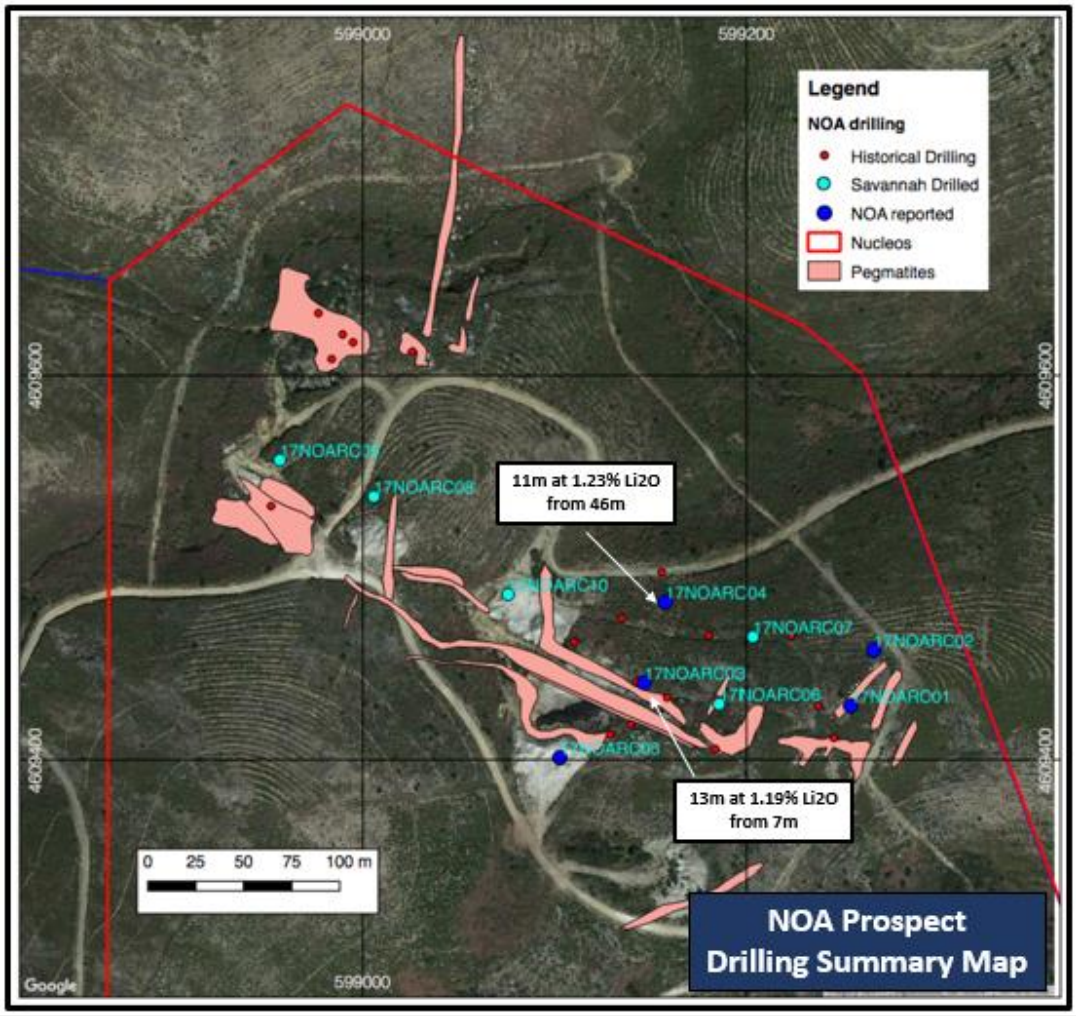
**Figure 4.** Summary of drilling at Reservatorio, showing drilling completed and significant assays received




**NOA Deposit**

Drilling at the NOA deposit now totals 10 holes for 768m (17NOARC01-10) with results from 5 holes (17NOARC06-10) still pending. Drilling results from the NOA prospect have been encouraging with 10-15m wide zones of pegmatite being intersected over a strike length of 200m and a down dip depth of around 50m **(Figure 5).**

**Figure 5.** Summary of drilling at NOA of holes with pending assays.




**Ongoing Drill Programme**

Based on the new results an additional 16 RC drill holes have been added to the programme at Grandao in order to further evaluate the potential of this prospect area.

**Lithium Mineralisation**

All geological mapping, drill hole logging and metallurgical have confirmed that the predominant lithium mineral (over 95%) is spodumene and to date **no** lithium mica mineralisation has been identified.

**Grandao Mineralisation Model**

Portuguese lithium pegmatite expert Professor Alexandre Lima and structural expert Professor Pablo Gumiel are currently on site working with the Savannah team to develop a mineralisation and exploration model based on these very significant new results.

**Metallurgical Testwork**

A series of scoping tests on a 100kg composite sample from Grandao, Reservatorio and NOA are currently underway at specialist lithium laboratory Nagrom in Perth, to find out the response of the ore to gravity separation. The work will determine the crush size and the density at which a 6% concentrate can be produced and mass yield. These are the three fundamental design parameters for developing a gravity process flow sheet based on the dense medium (DMS) process.

**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 Australian 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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**About Savannah**

We are 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. We are committed to serving the interests of our shareholders and to delivering outcomes that will improve the lives of our staff and the communities we work with.

**APPENDIX 1 – JORC 2012 Table 1**

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Sampling techniques | • *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* | • Reverse circulation (HQ size) samples were taken on either 1 intervals for pegmatite or 4m composites in surrounding schist. RC samples were collected in large plastic bags from an on-board rig splitter and a 4-6kg representative sample taken for analysis. |
| | • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | • Drilling was conducted on a nominal 80m by 40m spacing based on geological targets using RC drilling technology, an industry standard drilling technique. Drilling rods are 3m long and 1 sample is taken for each rod interval.<br>• Collar surveys are carried using hand held GPS with an accuracy to within 5m, and the z direction was determined by satellite derived elevation data and is accurate to less than a metre.<br>• A downhole survey for each hole was completed |
| | • *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | • The lithium mineralization is predominantly in the form of Spodumene-bearing pegmatites, the pegmatites are unzoned and vary in thickness from 15m-39m.<br>• Down hole sampling is carried out on either a 1 or 4m interval from which 4-6kg of pulverized material (RC) was pulverized to produce a 50g charge for assaying |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Drilling techniques | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • RC drilling at a diameter of 120mm is a form of reverse circulation drilling requiring annular drill rods. Compressed air is pumped down the outer tube and the sample is collected from the open face drilling bit and blown up the inner tube. |
| Drill sample recovery | • *Method of recording and assessing core and chip sample recoveries and results assessed.* | • Field assessment of sample volume. A theoretical dried sample mass was estimated to be within the range of 18 kg to 24 Kg, 70% of samples are within the expected range. Lower than average sample recovery is recorded only for the very top of the drill hole due to air and sample losses into the surrounding soil |
| | • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | • RC drilling sample weights were monitored to ensure samples were maximized. Samples were carefully loaded into a splitter and split in the same manner ensuring that the sample split to be sent to the assay laboratories were in the range of 4-6kg. |
| | • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • No obvious relationships |
| Logging | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • RC holes were logged in the field at the time of sampling.<br>• Each 1m sample interval was carefully homogenized and assessed for lithology, colour, grainsize, structure and mineralization.<br>• A representative chip sample produced from RC drilling was washed and taken for each 1m sample and stored in a chip tray which was photographed |
| Sub-sampling techniques and sample preparation | • If core, whether cut or sawn and whether quarter, half or all core taken.<br>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | • RC samples were split by the rotary splitter on the drill rig and sampled dry |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • For all sample types, the nature, quality and appropriateness of the sample preparation technique. | • The sampling was conducted using industry standard techniques and were considered appropriate |
| | • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | • The 4m composites were collected using a spear with the spear inserted into the bag at a high angle and pushed across the sample to maximise representivity of the sample |
| | • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. | • Every effort was made to ensure that the samples were representative and not bias in anyway |
| | • Whether sample sizes are appropriate to the grain size of the material being sampled. | • All samples were taken once they went through the on-board splitter from the drill rig. Depending on the rock types on average a 4-6kg sample was sent to the lab for analysis and the remaining material averaged 18-24kg and remains stored on site for any further analysis required |
| Quality of assay data and laboratory tests | • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | • Samples were received, sorted, labelled and dried<br>• Samples were crushed to 70% less than 2mm, riffle split off 250g, pulverize split to better than 85% passing 75 microns and 5g was split of for assaying<br>• The samples were analysed using ALS laboratories ME-MS89L Super Trace method which combines a sodium peroxide fusion with ICP-MS instrumentation utilizing collision/reaction cell technologies to provide the lowest detection limits available.<br>• A prepared sample (0.2g) is added to sodium peroxide flux, mixed well and then fused in at 670°C. The resulting melt is cooled and then dissolved in 30% hydrochloric acid. This solution is then analysed by Inductively Coupled Plasma – Mass Spectrometry and the results are corrected for spectral inter-element interferences.<br>• The final solution is then analysed by ICP-MS, with results corrected for spectral inter-element interferences. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | • Not used |
| | • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | • Standards/blanks and duplicates we inserted on a 1:20 ratio for both to samples taken<br>• Duplicate sample regime is used to monitor sampling methodology and homogeneity.<br>• A powder chip tray for the entire hole is completed for both RC and RAB. A sub-sample is sieved from the large RC bags at site into chip trays over the pegmatite interval to assist in geological logging. These are photographed and kept on the central database<br>• Routine QA/QC controls for the method ME-MS89L include Blanks, certified reference standards of Lithium and duplicate samples. Samples are assayed within runs or batches up to 40 samples. At the fusion stage that quality control samples are included together with the samples so all samples follow the same procedure until the end. Fused and diluted samples are prepared for ICP-MS analysis. ICP instrument is calibrated through appropriate certified standards solutions and interference corrections to achieve strict calibration fitting parameters. Each 40 samples run is assayed with 2 blanks, 2 certified standards and one duplicate samples and results are evaluated accordingly.<br>• A QA/QC review of all information indicated that all assays were inside reasonable tolerance levels. |
| Verification of sampling and assaying | • The verification of significant intersections by either independent or alternative company personnel. | • All information was internally audited by company personnel |
| | • The use of twinned holes. | • Several historical holes we twinned for comparison purposes |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | with the modern drilling |
| | • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | • Savannah's experienced project geologists are supervised all processes.<br>• All field data is entered into a custom log sheet and then into excel spreadsheets (supported by look-up tables) at site and subsequently validated as it is imported into the centralized Access database.<br>• Hard copies of logs, survey and sampling data are stored in the local office and electronic data is stored on the main server. |
| | • Discuss any adjustment to assay data. | • Results were reported as Li(ppm) and were converted to a percentage by dividing by 10,000 and then to $Li_2O$% by multiplying by 2.153 |
| Location of data points | • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.<br>• Specification of the grid system used.<br>• Quality and adequacy of topographic control. | • The coordinate of each drill hole was taken at the time of collecting using a handheld GPS with an accuracy of 5m.<br>• The grid system used is WSG84<br>• Topographic accuracy was +/- 5m |
| Data spacing and distribution | • Data spacing for reporting of Exploration Results.<br>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.<br>• Whether sample compositing has been applied. | • Drilling was on a nominal 80m by 40m spacing and based on geological targets<br>• Drill data is not currently at sufficient spacing to define a mineral resource.<br>• Some samples were composited on a 4m basis based on geological criteria, these areas were all outside the pegmatite bodies where 1m sampling was completed |
| Orientation of data in relation to | • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.<br>• If the relationship between the drilling orientation and | • Drilling was orientated perpendicular to the known strike of the pegmatites<br>• Drill holes we orientated at either -60 degrees or -90 degrees depending on the dip of the pegmatite in an attempt to get drill |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| geological structure | the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | holes as close to true width as possible |
| Sample security | • The measures taken to ensure sample security. | • Samples were delivered to a courier and chain of custody is managed by Savannah. |
| Audits or reviews | • The results of any audits or reviews of sampling techniques and data. | • Internal company auditing |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Mineral tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.* | • All work was completed inside the 100% owned Mina do Barroso project C-100 |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • N/A |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • The lithium mineralization is predominantly in the form of Spodumene-bearing pegmatites which are hosted in meta-pelitic and mica schists, and occasionally carbonate schists of upper Ordovician to lower Devonian age. The pegmatites are unzoned and vary in thickness from 15m-109m. Lithium is present in most aplite compositions. |

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr>
<td>Drill hole Information</td>
<td>
<ul>
<li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
<ul>
<li>easting and northing of the drill hole collar</li>
<li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li>
<li>dip and azimuth of the hole</li>
<li>down hole length and interception depth</li>
<li>hole length.</li>
</ul></li>
<li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li>
</ul>
</td>
<td>
<ul>
<li>Grid used WSG84</li>
<li>No material data has been excluded from the release</li>
</ul>
<table>
<tr><th>Hole ID Actual</th><th>WGS84_East</th><th>WGS84_North</th><th>Depth (m)</th><th>Azimuth</th><th>Dip</th></tr>
<tr><td>17NOARC06</td><td>599186</td><td>4609429</td><td>57</td><td>203</td><td>-60</td></tr>
<tr><td>17NOARC07</td><td>599203</td><td>4609464</td><td>78</td><td>207</td><td>-60</td></tr>
<tr><td>17NOARC08</td><td>599006</td><td>4609537</td><td>90</td><td>207</td><td>-60</td></tr>
<tr><td>17NOARC09</td><td>598957</td><td>4609556</td><td>90</td><td>206</td><td>-60</td></tr>
<tr><td>17NOARC10</td><td>599076</td><td>4609486</td><td>69</td><td>207</td><td>-60</td></tr>
<tr><td>17GRARC25</td><td>601736</td><td>4607985</td><td>90</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC26</td><td>601831</td><td>4608079</td><td>72</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC27</td><td>601821</td><td>4608025</td><td>81</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC28</td><td>601964</td><td>4608062</td><td>50</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC29</td><td>601988</td><td>4608021</td><td>60</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC30</td><td>601929</td><td>4607967</td><td>45</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC31</td><td>601759</td><td>4608021</td><td>159</td><td>142</td><td>-60</td></tr>
<tr><td>17GRARC32</td><td>601760</td><td>4607859</td><td>80</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC33</td><td>602005</td><td>4608082</td><td>60</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC34</td><td>601892</td><td>4608053</td><td>84</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC35</td><td>601838</td><td>4607966</td><td>75</td><td>0</td><td>-90</td></tr>
<tr><td>17GRARC36</td><td>601809</td><td>460809</td><td>78</td><td>0</td><td>-90</td></tr>
</table>
</td>
</tr>
</table>

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • Low Grade Intercepts are weighted averages using a 0.2% **$Li_2O$** cut off with no more than 3m of internal dilution<br>• High Grade Intercepts are weighted averages using a 0.5% **$Li_2O$** cut off with no more than 2m of internal dilution<br>• Narrow zones of schist (less than 5m) have been included in the significant intercepts where they are mineralised |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | • Exploration results are reported as down hole intercepts<br>• No metal equivalent values have been used.<br>• The drill holes are detailed in the table in the main release and the pegmatite at Reservatorio appears to dip at around 40degrees to the north west and at Grandao it is sub horizontal |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Relevant diagrams and maps have been included in the main body of the release. |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • All relevant results available have been reported. |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk* | • The interpretation of the results is consistent with the observations and information obtained from the data collected. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | |
| *Further work* | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Further rock chip sampling, channel sampling and RC drilling. Once planning has been completed the detail will be provided |