



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

24 October 2016

### **Savannah Resources Plc Environmental Impact Assessment Underway at Mahab 4 and Maqail South**

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), the AIM quoted resource development company, announces that it has commenced the preparation of the Environmental Impact Assessment ("EIA") for the Mahab 4 and Maqail South deposits in Oman, which have a current Indicated and Inferred Mineral Resource of 1.7Mt at 2.2% copper. The EIA is required to be submitted to the Ministry of Environment and Climate Affairs ("MECA") in the Sultanate of Oman as part of the licencing requirements for new mine developments in Oman (Figure 1). Both the Mahab 4 and Maqail South deposits are located in Block 5 and Savannah is a 65% shareholder in Al Fairuz Mining, the holder of the Block 5 licence.

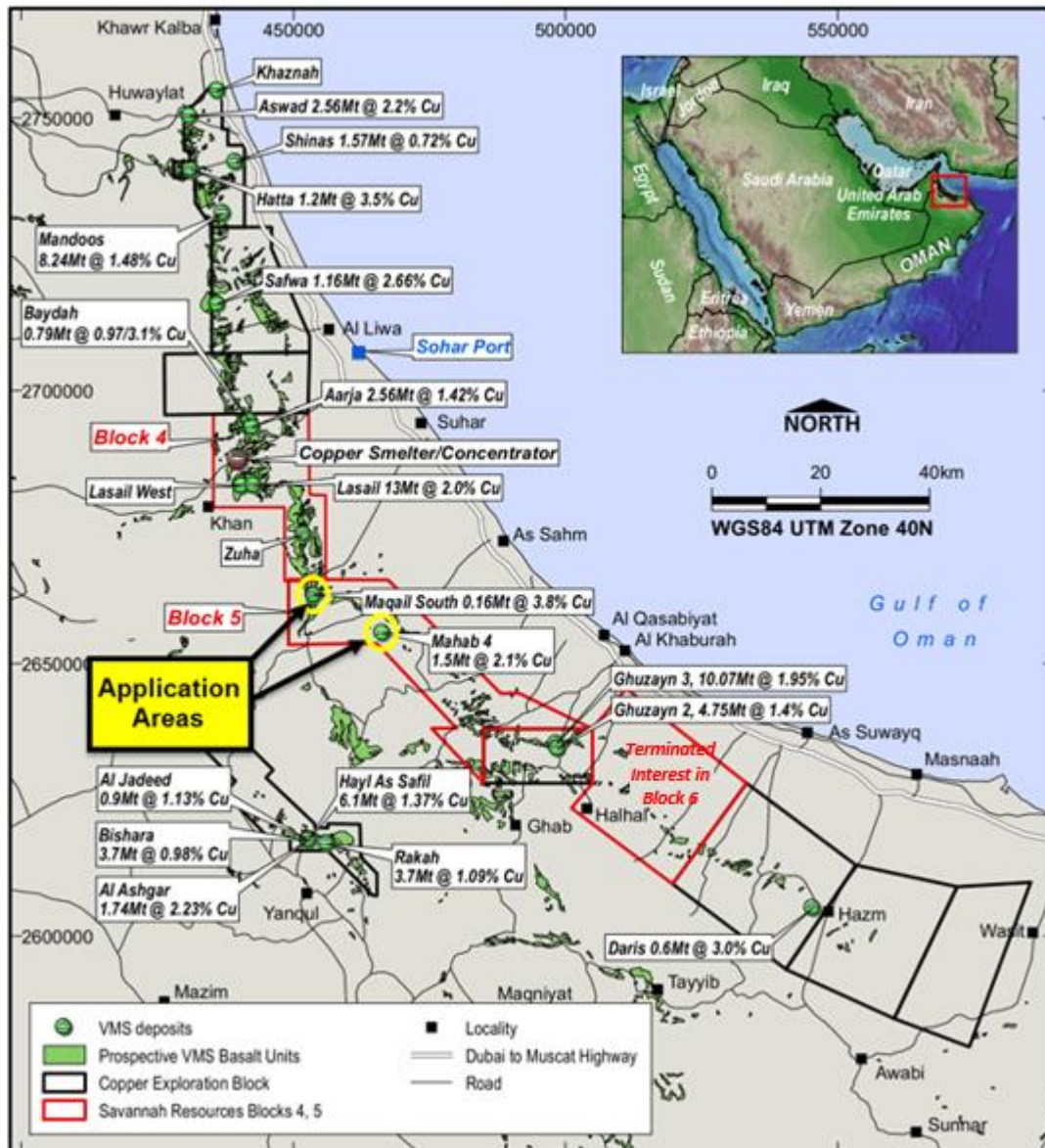
#### **HIGHLIGHTS:**

- Commencement of the EIA is a key milestone towards the Company's target of commencing copper mining in late 2017
- Leading Omani Environmental Consultant, Geo Resources Consultancy, has been contracted to commence the EIAs
- The EIAs are for an open-cut development at the Maqail South deposit and for an underground development at the Mahab 4 deposit
- Discussions with Government ministries have commenced
- The EIA is expected to take around six months to prepare and go through the approvals process

**David Archer, Savannah's Chief Executive Officer** said "Savannah is targeting to be in production by late 2017 and the lodging of the Mining EIA is an important milestone regarding the development of the combined deposits as an integrated operation. The tempo of our work is increasing and studies that will form the basis of our plans, such as metallurgical testwork and various baseline studies, are now underway.

"The higher grade nature of the two deposits makes them attractive for priority mine development to be followed by the development of other deposits such as those on Block 4. Following an intensive round of drilling over recent months, an updated Mineral Resource for both Maqail South and Mahab 4 will be released in Q4 2016, which will form an important part of our mining studies regarding a mine development targeted for late 2017."

Figure 1. Location map showing location of Mining Licence Applications



### Geo Resources Consultancy (“GRC”)

Savannah has contracted GRC to complete and co-ordinate the required EIA, which is required for the licensing of the project. GRC is an Omani consulting group registered as Grade One with the Ministry of Commerce and Industry. GRC provides a comprehensive range of multidisciplinary consultancy services and tailors individual support packages for project planning, design, management, integration and supervision, including environmental assessment and management. GRC has prepared environmental permitting documentation for a number of mining /open pit mining projects within Oman and successfully had them approved.

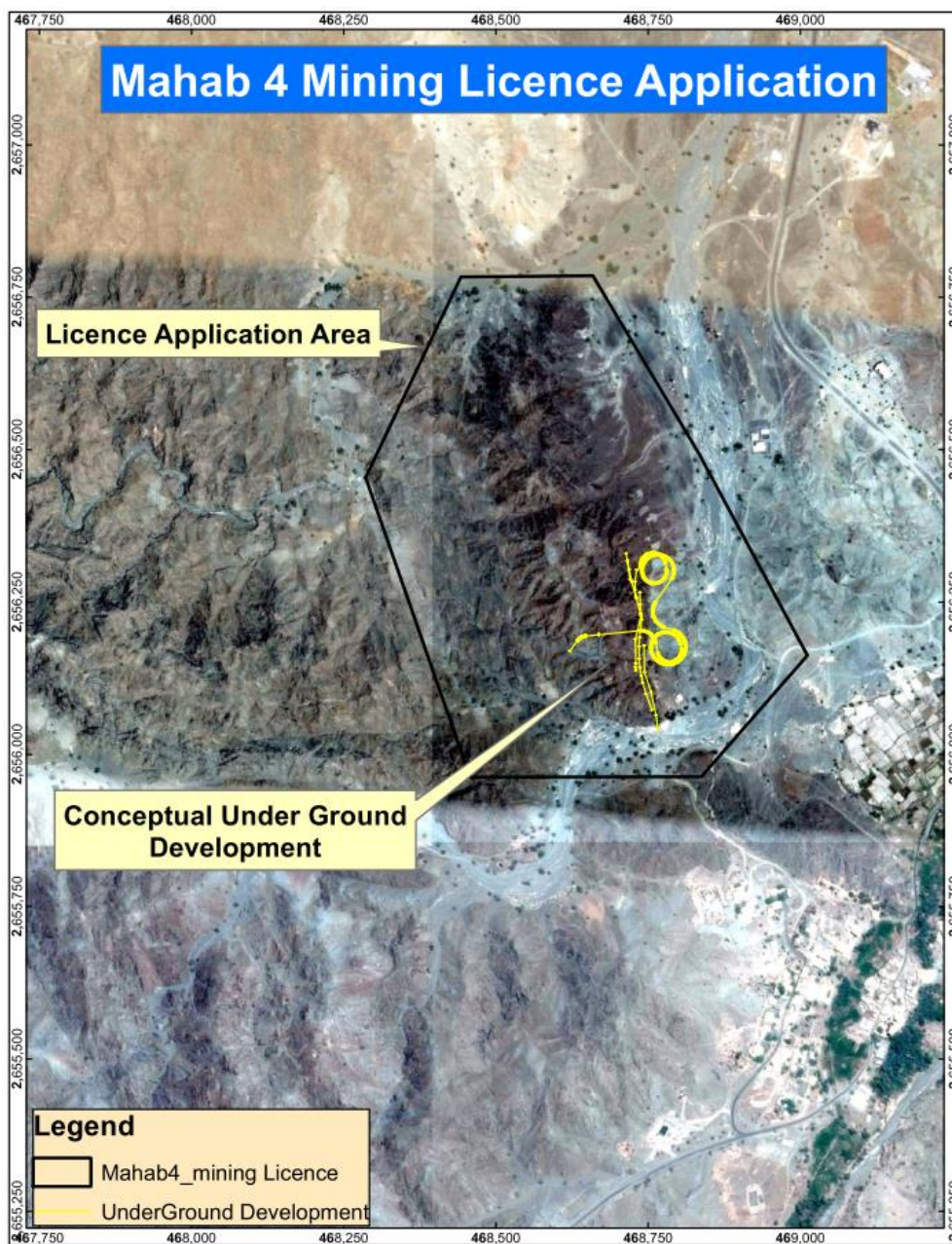
The primary scope of work to be completed by GRC includes:

- Preparing Scoping and Strategy for Assessment Document and submitting it to MECA
- Undertaking baseline monitoring of the Mahab 4 and Maqail South deposits, reflecting possible emissions and land impacts arising from the mine development and operation

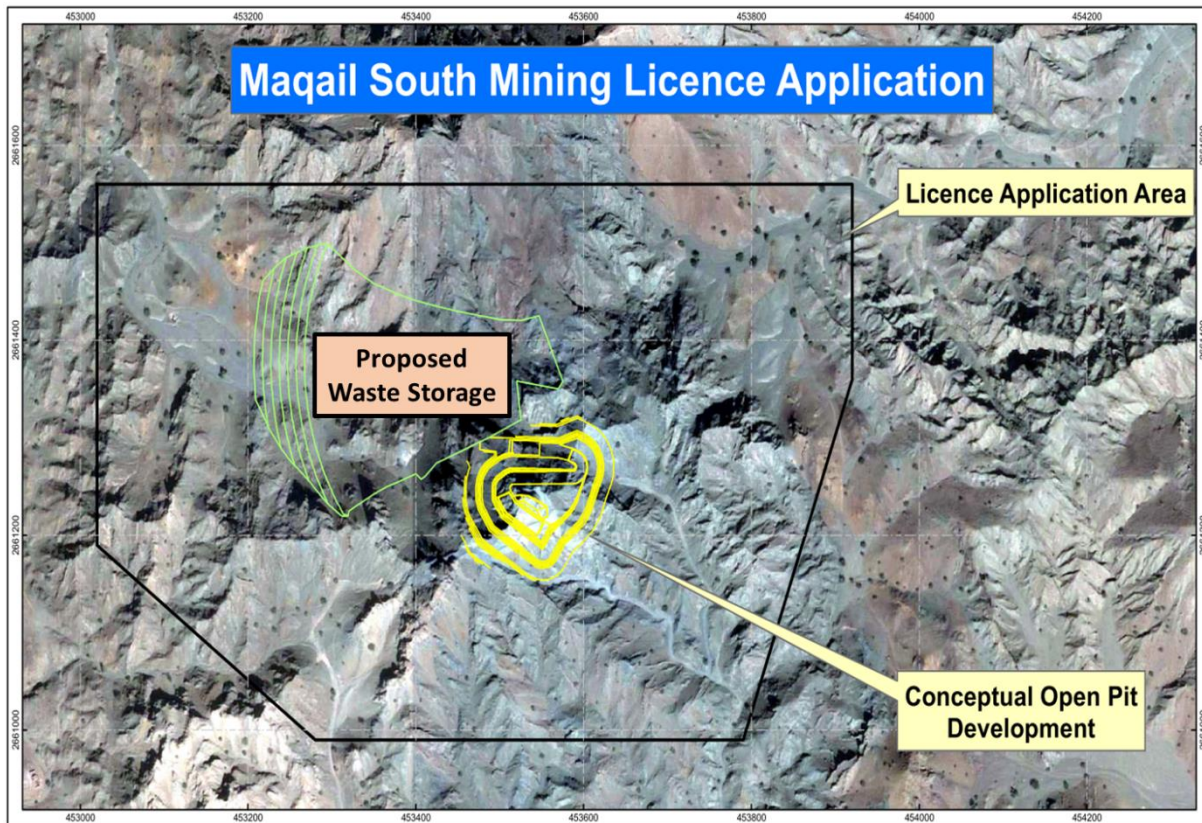
- Preparing and submitting an EIA document to MECA consistent with good Omani and international practice
- Preparing a mining permit application form in the prescribed manner
- Preparation of request letters and supporting information to apply for and maintain the mining permits
- Assisting in discussions with the various government departments and stakeholders to ensure a timely approval of the EIA

Providing there are no delays in the process, it is anticipated that the approval process for the EIA should take approximately six months

**Figure 2. Mahab 4 Mining Licence Application Area**



**Figure 3: Maqail South Mining Licence Application Area**



### **Competent Person**

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\*\***

For further information please visit [www.savannahresources.com](http://www.savannahresources.com) or contact:

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## **Notes**

Savannah Resources Plc (AIM: SAV) is a growth oriented, multi-commodity, development company.

### *Mozambique*

Savannah operates combined projects with Rio Tinto, and can earn a 51% interest in heavy mineral sands projects in Mozambique, which have a combined exploration target of 7-12Bn tonnes at 3-4.5% THM (published in 2008). Under the terms of the agreement with Rio Tinto Savannah must deliver the following to earn corresponding interest in the combined projects: Scoping Study - 20%; pre-feasibility study - 35%; feasibility study – 51%. Additionally there is an offtake agreement for Rio Tinto to take 100% of production.

### *Oman*

Savannah has interests in two copper blocks in the highly prospective Semail Ophiolite Belt in Oman. The projects, which have an Indicated and Inferred Mineral Resource of 1.7Mt at a grade of 2.2% copper and high grade intercepts of up to 56.35m at a grade of 6.21% Cu, with additional gold upside potential, provide Savannah with an excellent opportunity to potentially evolve into a mid-tier copper and gold producer in a relatively short time frame. Together with its Omani partners, Savannah aims to outline further mineral resources to provide the critical mass for a central operating plant to develop the deposits, and in December 2015 outlined exploration targets of between 10,700,000 and 29,250,000 tonnes grading between 1.4% and 2.4% copper.

### *Finland*

Savannah has Reservation Permits over two new lithium projects, Somero and Erajarvi, covering an area of 159km<sup>2</sup> in Finland. Savannah holds a 100% interest in these projects through its Finnish subsidiary Finkallio Oy. Geological mapping by the Finnish Government within the project areas has highlighted the presence of lithium minerals spodumene, lepidolite and petalite with the Government also identifying Somero and Erajarvi as one of the most prospective areas to discover lithium deposits in Finland. Savannah plans to initiate an exploration programme including data compilation, geological mapping and surface sampling with the aim of generating drill ready targets during 2016.