

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

11 September 2014

# Savannah Resources Plc High Quality VMS Copper Drill Targets Identified in Block 5, Oman

Savannah Resources plc (AIM: SAV) announces that field reconnaissance of high priority Versatile Time Domain Electromagnetic Survey ('VTEM') targets at the Company's prospective Block 5 Copper Project, located in the strongly mineralised Semail Ophiolite Belt in northern Oman, has identified a number of high quality drill targets within the vicinity of the Sarami Prospect. It is the Company's intention to fast track exploration at Block 5 towards drilling by the end of 2014.

## Highlights:

- Systematic **field checking of identified VTEM anomalies** (as announced on 1 September 2014) within Block 5 and 6 has commenced
- Initial ground reconnaissance of VTEM targets at the Sarami West Prospect has highlighted three high priority VTEM anomalies located on the key Geotime/Lasail geological contact
  the most mineralised contact within the Oman Ophiolite Belt
- Significantly, **umber units** which represent a significant time break to allow potential VMS deposits to form were also **noted at these contacts**
- Sarami West VTEM anomalies are in the vicinity of known VMS mineralisation and are untested
- The SW3 anomaly at Sarami West Prospect is larger and of similar intensity to the nearby Mahab 4 copper deposit anomaly (existing Indicated and Inferred Mineral Resource of 1.7Mt @ 2.2% copper)
- Field operations are currently underway to define high quality exploration targets for drilling before the end of 2014
- Block 5 with Block 6 forms part of a wider project area covering 870km<sup>2</sup> of the highly prospective copper-rich Semail Ophiolite belt in the Sultanate of Oman proven to host clusters of moderate to high grade copper VMS deposits
- The Sultanate of Oman is a modern Middle Eastern country with excellent infrastructure, low fuel costs and a favourable fiscal regime for any potential mine development

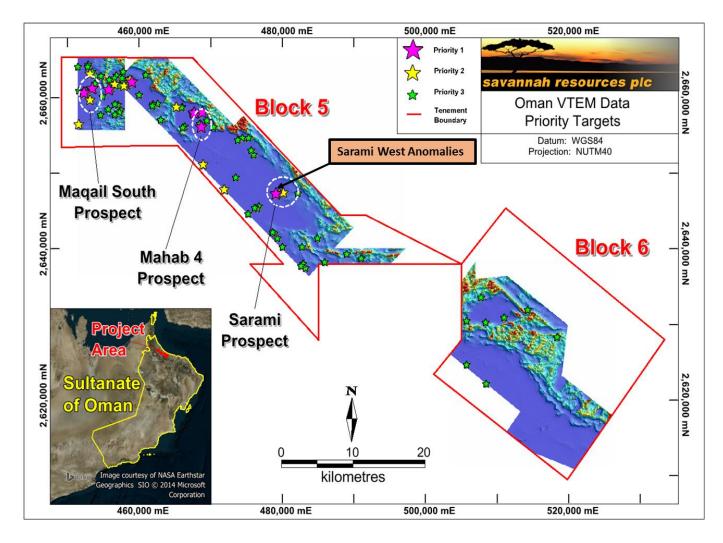
Savannah's CEO, David Archer said, "Our field activities are now underway in Oman with an initial focus on reviewing the high priority VTEM anomalies. Reconnaissance geological mapping at the Sarami West prospect has confirmed the three VTEM targets as high quality targets which sit on the highly prospective Geotimes/Lasail stratigraphic contact.

"We are particularly encouraged by the fact that the field activities did not note any features which could produce a false anomaly, increasing the probability that the VTEM anomalies are potentially associated with sulphide mineralisation. "We are continuing to build our in-country exploration team and operational capabilities with the major focus of the team for the remainder of 2014 to progress a number of the high priority targets to drill ready stage and continue the review of the 94 newly identified VTEM anomalies."

# VTEM – Sarami Prospect

Following the receipt of the final geophysical report on the reprocessing of the 2010 VTEM survey, ground work has commenced with initial exploration focused on the group of anomalies which form the **Sarami Prospect (Figure 1)**, with a primary focus on the **Sarami West Prospect** which contains the strongest of the newly defined VTEM anomalies.

A study of VMS deposits worldwide suggests that they generally occur in clusters, with the presence of existing copper mineralisation and the multiple anomalies highlighted in the VTEM data possibly supporting this assumption at the Sarami Prospect and making the area a high priority for further exploration.

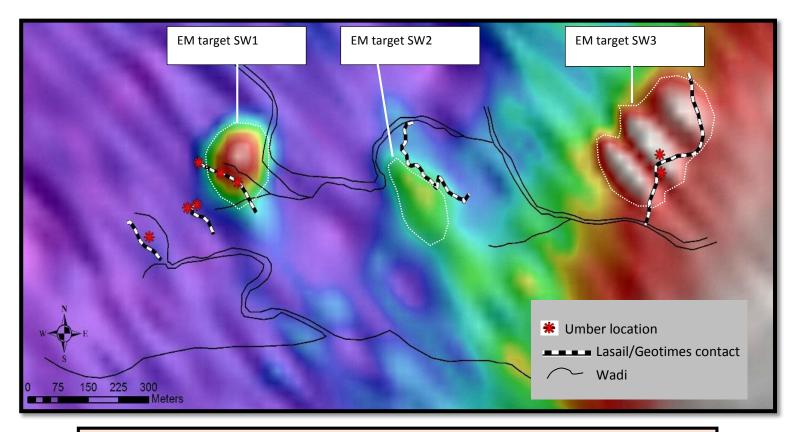


## Figure 1. VTEM image showing the 94 priority 1, 2 and 3 anomalies and prospect locations

## Sarami West Prospect

The reprocessing of the VTEM data has identified three high priority VTEM anomalies within the Sarami West Prospect area - SW1, SW2 and SW3 (Figures 2 and 3). Initial geological reconnaissance

of these anomalies has focused on identifying the local geology and whether the Semail Ophiolite sequence is present with a particular focus on the key geological contacts.



**Figure 2.** Enlarged VTEM image for the **Sarami West Prospect** (SW1 to 3) showing a series of untested VTEM anomalies which could potentially form part of a VMS cluster at **Sarami West**.

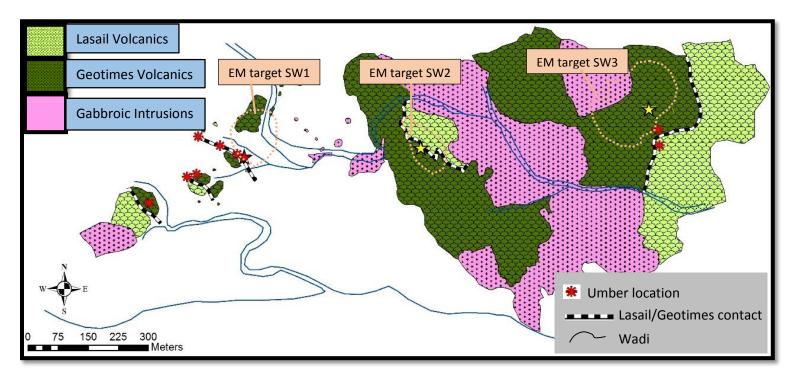


Figure 3. Reconnaissance Geology map showing key VMS contacts and location of VTEM anomalies

**SW3 (Figure 2)** is a complex, large, three part VTEM anomaly which occurs within the Geotimes unit close to a Geotimes/Lasail contact with associated umbers (Figure 4). The VTEM anomaly is larger and of similar intensity to the nearby Mahab 4 deposit (Indicated and Inferred Mineral Resource of 1.7Mt at 2.2% copper). Geological mapping has not been able to locate any surface features which

could account for the VTEM anomaly. Gentor Resources drilled one hole B5MRMD078 (127m) just to the east of SW3 which intersected minor Geotimes Unit and a predominately gabbroic intrusive. A review of the drill log indicated that there was nothing intersected down hole which could potentially explain the VTEM anomaly in the area. Savannah is of the view that this anomaly has not been fully tested and remains a valid, high priority target and that ground electromagnetics ("EM") will be required to accurately locate the position of the anomaly for testing.

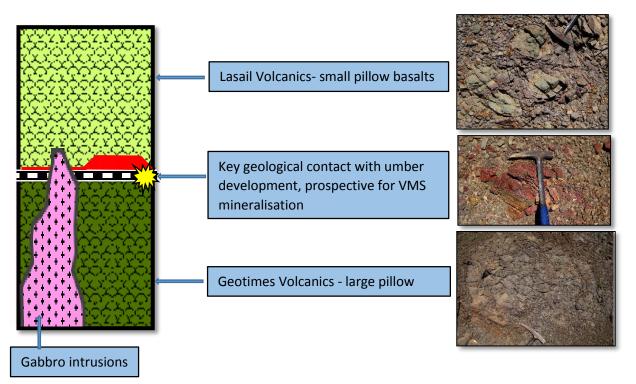


Figure 4. Highly prospective Semail Ophiolite geology sequence identified at Sarami West Prospect

**SW2 (Figure 2)** VTEM anomaly is a moderate intensity discrete linear anomaly which appears to run parallel to a strongly defined Geotimes/Lasail contact zone. Surface reconnaissance failed to locate any topographic or other conductive features which could cause this anomaly. As a result, this anomaly remains a high priority exploration target.

**SW1 (Figure 2)** is a moderate to strong discrete VTEM anomaly, located on a Geotimes/Lasail contact. Significantly, an umber which represents a significant time break to allow potential VMS deposits to form was also noted at this contact. Geological mapping of the area did not note any features which could produce a false anomaly increasing the probability that the VTEM anomaly is potentially associated with copper mineralisation.

## Next Steps at Sarami Prospect

The multi-faceted programme at the Sarami group of prospects is ongoing with the next steps including:

- Ground based geophysics (EM)
- Geological Interpretation and targeting using all data sets
- RC drilling before the end of 2014

#### **Competent Person**

Dale Ferguson: The technical information related to Exploration Results contained in this Announcement has been reviewed and approved by Mr D. Ferguson. Mr Ferguson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ferguson is a Director of Savannah Resources plc and a Member of the Australasian Institute of Mining and Metallurgy. Mr Ferguson consents to the inclusion in this announcement of such information in the form and context in which it appears.

#### \*\*ENDS\*\*

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#### Notes

#### **About Savannah**

Savannah Resources Plc (AIM: SAV) is a growth oriented, multi-commodity, exploration and development company. It has an 80% shareholding in Matilda Minerals Limitada which operates the Jangamo exploration project in a world class mineral sands province in Mozambique which borders Rio Tinto's Mutamba deposit, one of two major deposits Rio Tinto has defined in Mozambique, which collectively have an exploration target of 7-12Bn tonnes at 3-4.5% THM1 (published in 2008).

Savannah has interests in two copper projects in the highly prospective Semail Ophiolite Belt in Oman. The projects, which have an Indicated and Inferred Mineral Resource of 1.7Mt @ 2.2% copper and high grade intercepts of up to 56.35m at 6.21% Cu, provide Savannah with an excellent opportunity to potentially evolve into a mid-tier copper 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.

In addition, Savannah owns a 21.1% strategic shareholding in Alecto Minerals Plc which provides Savannah with exposure to both the highly prospective Kossanto Gold Project in the prolific Kenieba inlier in Mali and also to the Wayu Boda and Aysid Meketel gold / base metal projects in Ethiopia for which Alecto has a joint venture with Centamin Plc. Under this joint venture, Centamin Plc is committing up to US\$14m in exploration funding to earn up to 70% of each project.