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

9 December 2015

Savannah Resources Plc
High Grade Copper, Zinc and Gold Intersected
Block 4 and 5, Semail Ophiolite Belt, Oman

Savannah Resources plc (AIM: SAV) ('Savannah' or the 'Company') advises that it has received initial positive assay results intersecting high-grade copper, zinc and gold from the current 1,800m drill programme over Blocks 4 and 5 in Oman. Savannah is earning a 65% shareholding in the Omani company, Al Thuraya LLC, the owner of the Block 4 Project and is a 65% shareholder in Al Fairuz Mining, the holder of the Block 5 licence.

HIGHLIGHTS:

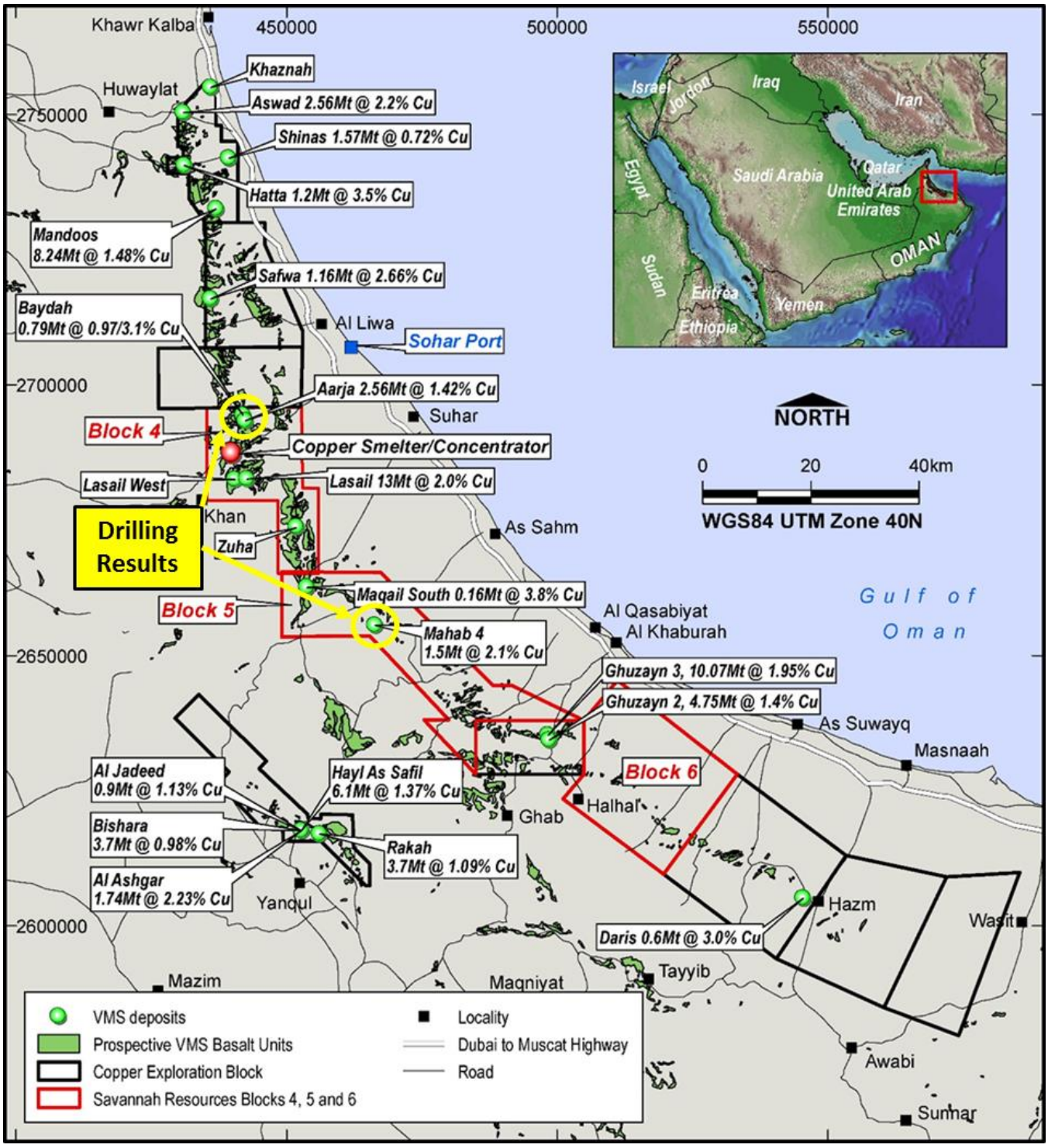
- Results include (Table 1):
  - Dog's Bone**: 9m at 4.86% copper, 1.54% zinc, 1.3g/t gold and 37.3g/t silver from 103m** in 15B4RC003 **Incl. 6m at 7.01% copper, 2.20% zinc, 1.9g/t gold and 53.8g/t silver from 103m**
  - Mahab 4: **6.6m at 6.92% copper, 5.6% zinc, 0.3g/t gold and 23.8g/t silver from 67m** in 15B5DD005
- Results expanded the high-grade (>5% copper) portion of the Mahab 4 deposit with drilling targeting further expansions continuing
- Work at the Dog's Bone Zone has confirmed the high-grade nature of the mineralisation and work is now underway to test extensions and compile a compliant mineral resource estimate
- Dog's Bone Zone and much of the Aarja Deposit has existing underground access which would allow rapid development and exploitation
- Work has been slowed by mechanical problems with the drill rigs – targeting the end of December to finish the drilling
- Results help build on the strategy of targeting the start of high-grade, low cost copper concentrate production from late 2017

Savannah's CEO, David Archer said, "These exciting initial assay results confirm the high-grade nature of Aarja's copper mineralisation and, importantly, show that it is associated with significant gold with grades of up to 1.9g/t. Gold was not previously assayed for and these results suggest that it could be a very valuable by-product credit.

"The Aarja Mine is a key piece of our overall copper consolidation strategy of targeting the start of high-grade, low cost copper concentrate production from late 2017 from multiple deposits on Blocks 4 & 5 to coincide with projected global copper deficits and strengthening copper prices.

"Our next steps will include defining Exploration Targets for the Aarja, Bayda and Lasail Mines within the Block 4 and 5 areas and then moving these into JORC compliant Mineral Resources."

Figure 1. Project Location Map



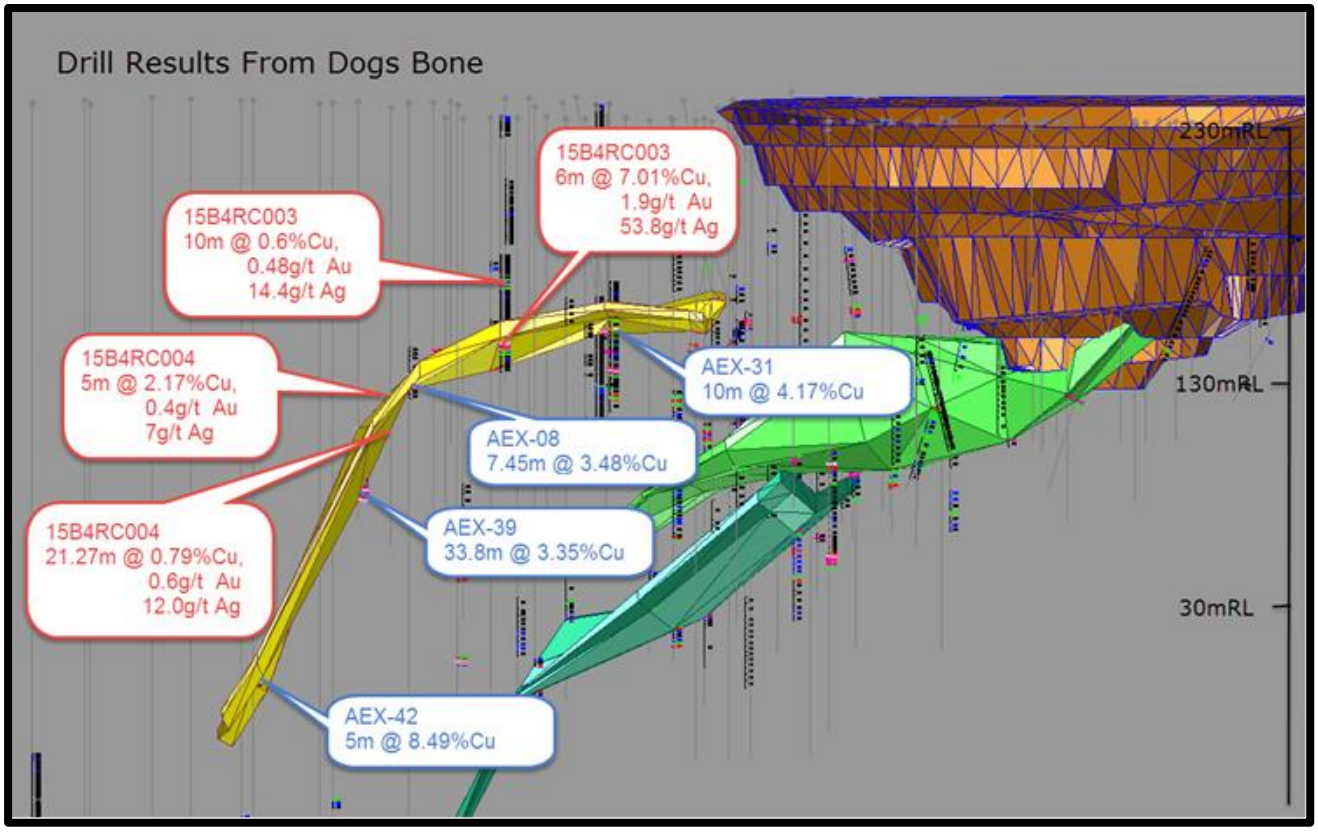
Aarja Drilling Programme

Drilling targeting the Dog's Bone Zone of mineralisation (15B4RC002, 3 and 4) intersected high-grade mineralisation and confirmed the presence of the zone. Dog's Bone has existing underground development that could facilitate a fast development of the zone as part of any potential operation. Significant results are detailed below and in Table 1 and Figure 2.

Dog's Bone:

- 9m at 4.86% copper, 1.54% zinc, 1.3g/t gold and 37.3g/t silver from 103m in 15B4RC003 Incl. 6m at 7.01% copper, 2.20% zinc, 1.9g/t gold and 53.8g/t silver from 103m
- 5m at 2.17% copper, 0.37% zinc, 0.4g/t gold and 7g/t silver from 151m in 15B4RC004
- 21.7m at 0.79% copper, 0.79% zinc, 1.97g/t gold and 12g/t silver from 174 in 15B4RC004

Figure 2. 3D model of Dog's Bone Zone showing new results in red and historical results in blue.



Drilling (15B4RC005, 6 and 7) targeting the Dog's Bone Gossan intersected thin zones of near surface copper and gold mineralisation with results including 3m at 1.3% copper, 4.4g/t gold and 3g/t silver from surface in 15B4RC007. Further work to access the potential of this zone is currently being undertaken.

Mahab 4 Drilling Programme

Results from the first hole at Mahab 4 were very encouraging with a result of 6.6m at 6.92% copper, 5.6% zinc, 0.3g/t gold and 23.8g/t silver from 67m in 15B5DD005 expanding the high-grade (>5% copper) zone up dip and increasing the contained metal of the deposit.

15B5DD005 was completed to 96.5m with Lasail Basalts intersected in the hanging wall to a thin umber horizon at 32m. Geotimes Basalts were then intersected to the end of hole at 96.5m. Three zones of massive sulphide mineralisation were intersected between 51 and 72m. The thickest zone was at 67-73.6m (Figure 3) and consisted of pyrite and chalcopyrite. A section for this hole is shown in Figure 4.

Figure 3: Drill core from hole 15B5DD005 from 69.5m to 74.3m showing copper grades in yellow text and close up of massive chalcopyrite mineralisation.

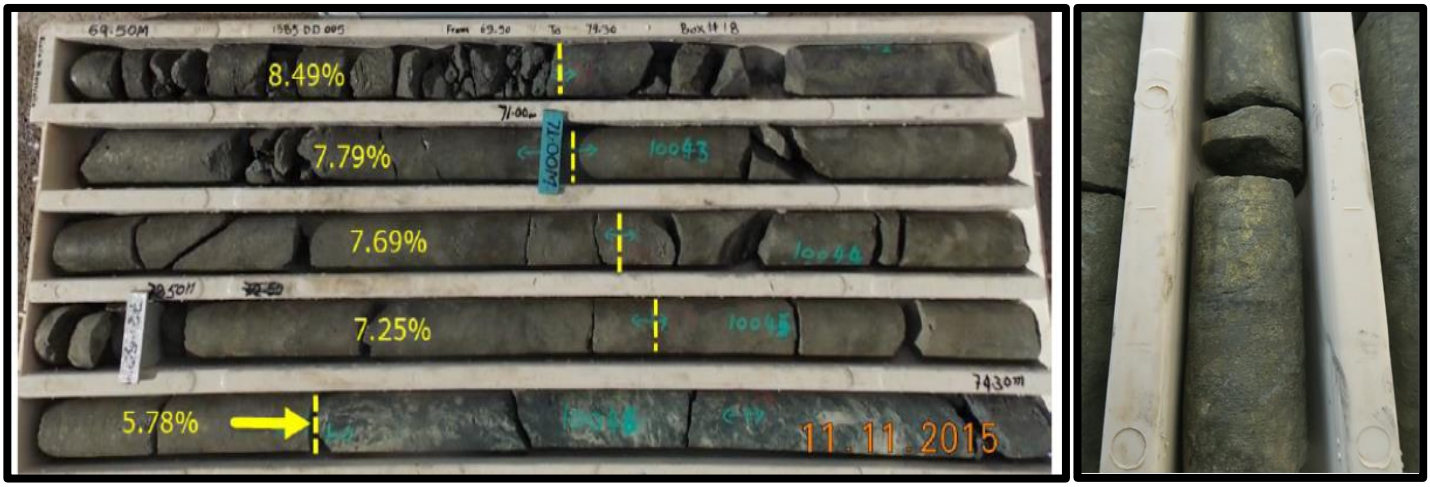


Figure 4. Mahab 4 Cross Section showing new results and up dip extension of high grade (>5% Copper) mineralisation

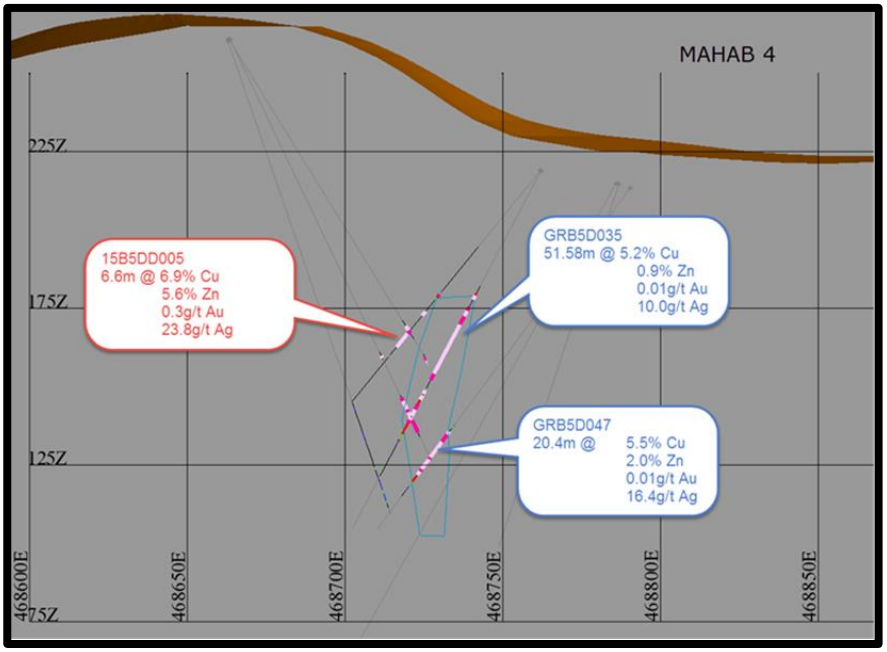


Table 1. Summary of significant drill results (intercepts calculated using 0.5% copper cut off with high grade intercepts calculated using 1% copper cut off)

Hole ID	Prospect	Northing	Easting	rL	Azimuth (Deg)	Dip (Deg)	EOH (m)	From (m)	To (m)	Down hole Interval (m)	Grade % Cu	Grade % Zn	Grade g/t Au	Grade g/t Ag
15B5DD005	*Mahab 4*	2656287.00	468762.00	219.00	255	-50	96.50	51.70	53.00	1.30	3.04	0.27	0.1	15.7
								58.80	60.60	1.80	8.15	1.97	0.2	22.0
								67.00	73.60	6.60	6.92	5.60	0.3	23.8
15B5DD007	*Mahab 4*	2656314.00	468761.00	215.00	255	-55	93.35	Assays Pending						
15B4RC001	*VTEM Target #4*	2693035.0	440591.0	228	270	-70	100	Assays Pending						
15B4RC002	*Dogs Bone*	2692565.0	440382.0	231	0	0	150	No Significant Assays						
15B4RC003	*Dogs Bone*	2692576.0	440416.0	230	0	-90	145	103.00	112.00	9.00	4.86	1.54	1.3	37.3
	inc							103.00	109.00	6.00	7.01	2.20	1.9	53.8
15B4RC004	*Dogs Bone*	2692554.0	440488.0	230	0	-90	205	151.00	156.00	5.00	2.17	0.37	0.4	7
								174.73	196.00	21.27	0.79	1.97	0.6	12
15B4RC005	*Dogs Bone Gossan*	2692608.0	440341.0	230	300	-60	50	0.00	3.00	3.00	0.31	0.10	0.2	-
15B4RC006	*Dogs Bone Gossan*	2692620.0	440343.0	230	300	-60	50	0.00	3.00	3.00	0.21	-	0.3	-
15B4RC007	*Dogs Bone Gossan*	2692612.0	440304.0	235	0	-90	30	0.00	3.00	3.00	1.30	0.10	4.4	3
15B4RC011	*Dogs Bone*	2692575.0	440386.0	229	0	0	138	Assays Pending						

Note: Savannah has an indirect 65% interest in Mahab 4 and is earning an indirect 65% interest in the other prospects.

Samples were assayed via the following method

- The tested samples were dried at 85°C, crushed and pulverized to 75 µm
- The method for gold analysis was using was fire assay (using 30g samples) with an atomic absorption spectrometry (AAS) finish, which detected gold in the range of 5ppb - 10ppm. A re-assay with gravimetric finish was used with the initial assay detected >10ppm gold (and silver) using a further 30g sample
- The method for copper analysis was a 24 element inductively coupled plasma optical emission spectrometry (ICP-OES) analysis of an Aqua Regia digest

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.

****ENDS****

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

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Notes

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

Savannah has agreed to acquire 100% of Matilda Minerals Limitada which currently operates the Jangamo exploration project, and has agreed with Rio Tinto to form a joint venture in Mozambique to develop the combined Mutamba/Jangamo Project. Formation of the joint venture remains subject to approval by the Ministry of Mineral Resources and Energy of the Republic of Mozambique. On 31 December 2014 Savannah announced maiden, 65Mt Inferred Mineral Resource @4.2% total heavy minerals ("THM") at a 2.5% cut-off grade for Jangamo. The Mutamba, Dongane and Chilubane deposits have a combined exploration target of 7-12Bn tonnes at 3-4.5% THM (published in 2008).

Savannah has interests in three copper blocks 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, 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.

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	
Sampling techniques	• *Nature and quality of sampling (eg 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).*	• All data at the Dogs Bone and Mahab 4 Prospects has been gathered from diamond core or RC chips. HQ and NQ core sizes have been used. Holes have been angled to optimally intersect lithology structures. • Sampling from diamond drilling is by half core

Criteria	JORC Code explanation	

	These examples should not be taken as limiting the broad meaning of sampling.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*
		sampling of NQ or HQ core
		• RC samples are collected from a cone splitter at 1m intervals using a face sampling hammer.
		• Core and chips are geologically logged and samples selected based on geological logging. Samples are then dispatched to Bureau Veritas in Turkey for analysis using the following process route.
		  • Whole sample is dried at 85°C, Crush to 70% -10 mesh (2mm), 100% pulverize to 85%passing -200 mesh (75 µm).
		  • Au: 30gr Fire Assay / lead collection fusion / AAS finish / 5ppb - 10ppm
		  • Au>10ppm (& Ag if also over-limit): 30gr / fire assay fusion / GRAVIMETRIC finish
		  • 24 Element (Mo, Cu, Zn, Ag, Ni, Co, Mn, Fe, As, Sr, Cd, Sb, Bi, Ca,P, Cr, Mg, Al, Na K, W, Hg, S) Aqua Regia Digest ICP-OES finish.
		• Bulk density determinations are made for all samples that are assayed, using the Archimedes method. This measurement is completed in Oman by Savannah employees.

Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).	• Diamond drilling used HQ2 or NQ2 sized equipment. Diamond core was not orientated. • Down hole surveys are completed using a single shot Tropari device at approximately 50m intervals down hole. • RC drilling is by a 105mm bit using a face sampling hammer.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • 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.	• Diamond core recoveries were recorded in the drill logs. It is unknown if a relationship exists between sample recovery and grade. • Good recoveries were observed from the RC drilling but were not recorded. Majority of samples were dry.
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. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• All drill holes were logged for recovery, RQD, geology and structure. • Logging of recorded lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. Diamond core was photographed wet. • All drill holes were logged in full.
Sub-sampling techniques	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	• HQ and NQ core was cut in half using a core saw. • RC samples were collected from directly from the rig via a cone splitter at 1m intervals, each sample was approximately 2kg.

Criteria	JORC Code explanation	
and sample preparation	• For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • 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. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Certified reference standards, blanks and duplicates are routinely inserted in the sample sequence to assess the quality of sampling and analysis. • Sample sizes are considered appropriate for the style of mineralization expected.
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. • 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. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• The analytical techniques used are appropriate for the elements and mineralization styles being explored for. • Savannahs QAQC protocol is to industry standards with standard reference material and blanks submitted at a minimum of 5% frequency rate.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• No independent or alternative verification of the assays has been made • No twin holes have been drilled • No adjustments have been made to the assay data
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. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Holes have been located using a handheld GPS unit using WGS84 Zone 40N co-ordinates. • Holes have been downhole surveyed using a Tropari single shot device • No topographic data is available
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied.	• Hole spacing is approximately 20m by 20m at Mahab 4. • Hole spacing at Dogs Bone is approximately at 50m centers selectively targeting the mineralized zone. • Data at Mahab 4 is sufficient to establish geological and grade continuity needed for Mineral Resource estimation. The current drilling is extending previously reported Mineral Resources.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling	• Drill holes are angled approximately perpendicular to the orientation of the lithological trends • Orientation of the holes does not bias sampling data.

Criteria	JORC Code explanation	
	orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Reported intervals are down hole widths and are not necessarily true widths of mineralization.
Sample security	• The measures taken to ensure sample security.	• Chain of custody is managed by Savannah. Samples are stored on site in a locked yard. Samples are then transported to Turkey by airfreight. Savannah personnel have no contact with the samples once they have been dispatched.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews of the sampling techniques or data have been completed.

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.* • *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.*	• The Dogs Bone Prospect is located with the exploration permit referred to as Block 4. Savannah has a 65% interest in the Block with the remainder being held by a local JV partner. • The Mahab 4 Prospect is located with the exploration permit referred to as Block 5 Savannah has a 65% interest in the Block with the remainder being held by a local JV partner. • The tenement is in good standing with no known impediment to renewal.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration has been completed around Dogs Bone between 1980-1994 by OMCO with historical mining being completed in the area. • Previous exploration has been completed at Mahab 4 by Gentor Resources between 2010 - 2012.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The deposit type being tested is the Cyprus type VMS model. VMS mineralization is interpreted to have formed on a mid ocean ridge and then emplaced as an ophiolite on the Arabian Craton. Several examples of this model exist in the region.

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is*
		• The location of the drilling at Dogs Bone and Mahab 4 are summarized in Table 1 in the body of this release.
		• Previously completed holes by Gentor at Mahab 4 are not all reported in this release.
		• Previously completed holes by OMCO at Dogs Bone are not all reported in this release.
		• Not all holes completed in this program by Savannah have been reported in this release.

Criteria	JORC Code explanation	Commentary
	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.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Significant intersections are based on greater than 0.5% Cu and may include up to a maximum of 3.0m of internal dilution, with a minimum composite grade of 1.0% Cu. • Cu grades used for calculating significant intersections are uncut. • Minimum and maximum diamond core sample intervals used for intersection calculation are 0.2m and 1.2m respectively subject to location of geological boundaries. • Reported intersections from RC drilling are based on regular 1 metre sample intervals. • No metal equivalents are used in the intersection calculation. • Where core loss occurs; the average length weighted grade of the two adjacent samples are attributed to the interval for the purpose of calculating the intersection. The maximum interval of missing core which can be incorporated with the reported intersection is 1m.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Exploration results are reported as length weighted averages. • No high grade cuts have been applied to the reporting of the exploration results. • No metal equivalent values have been used. • Down hole intervals have been reported. True widths are not known.
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 results 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 density, groundwater, geotechnical and rock characteristics;*	• The interpretation of the results at Mahab 4 and Dogs Bone are consistent with the observations and information obtained from historical data collected and geophysical surveys completed in the area.

Criteria	JORC Code explanation	Commentary
	potential deleterious or contaminating substances.	
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Holes have been cased for possible Downhole EM survey to identify possible off hole conductors.