



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

28 July 2016

### **Savannah Resources Plc**

#### **Finland Lithium Initiative – Reservation Permits Validated and Exploration is Underway**

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), the AIM quoted resource development company, is pleased to announce that exploration is now underway at its two new lithium projects in Finland, Somero and Eräjärvi, having received no landowner objections during the one-month statutory objection period required before work on the ground can start.

#### **HIGHLIGHTS:**

- Ground exploration on the Somero (60.5km<sup>2</sup>) and Eräjärvi (98.5km<sup>2</sup>) Projects (Figure 1) is now authorised and field work has commenced
- The exploration programme is expected to take 8-10 weeks and comprises geological mapping, surface rock chip and channel sampling, targeting pegmatites with known lithium minerals with the aim of generating drill targets during 2016
- Geological mapping by the Finnish Government ('GTK') within the project areas has highlighted the presence of key lithium minerals spodumene, lepidolite and petalite
- Savannah believes Finland is one of the most prospective countries on mainland Europe for potential lithium discoveries
- Both project areas have excellent access to infrastructure and are in close proximity to potential customers, including battery producers

**David Archer, Savannah's Chief Executive Officer said today,** "We're pleased to be on the ground and evaluating these two interesting lithium projects that cover a series of documented, outcropping, lithium-bearing pegmatites in Finland, which is one of the world's premier resources jurisdictions.

"Our acquisition of these new projects is timely as technical innovation around lithium-ion batteries is accelerating to support the development of industrial-scale battery arrays for national grids and lithium-ion batteries for electric vehicles. For example, major car manufacturers are looking at constructing battery plants in Europe and Savannah believes lithium sourced from within Europe will be key to this equation. I look forward to providing further updates on our exploration programme as we work towards our target of generating drill targets by the end of the year."

Figure 1. Location map showing position of lithium projects in Finland



## LITHIUM EXPLORATION PROGRAMME

A lithium exploration programme targeting known lithium bearing pegmatites on both the Somero (Figure 2) and Eräjarvi (Figure 3) Projects is now underway and is expected to take in the order of 8-10 weeks to complete with the objective of delineating drill targets during 2016. The programme will include:

- Regional mapping to delineate the extent of the individual pegmatites by mapping all available outcrop
- Prioritise the pegmatites in order of potential for contained mineralisation and size
- Mineralogical samples to be taken during the regional phase to aid in identifying prospective pegmatites
- Detailed rock chip or channel sampling to be carried out in conjunction with the detailed mapping of priority targets
- Creation of a GIS ready geological map, and a summary report on results and findings
- Definition of high priority targets for follow up drill testing

Figure 2. Somero Project highlighting high priority lithium pegmatite swarms

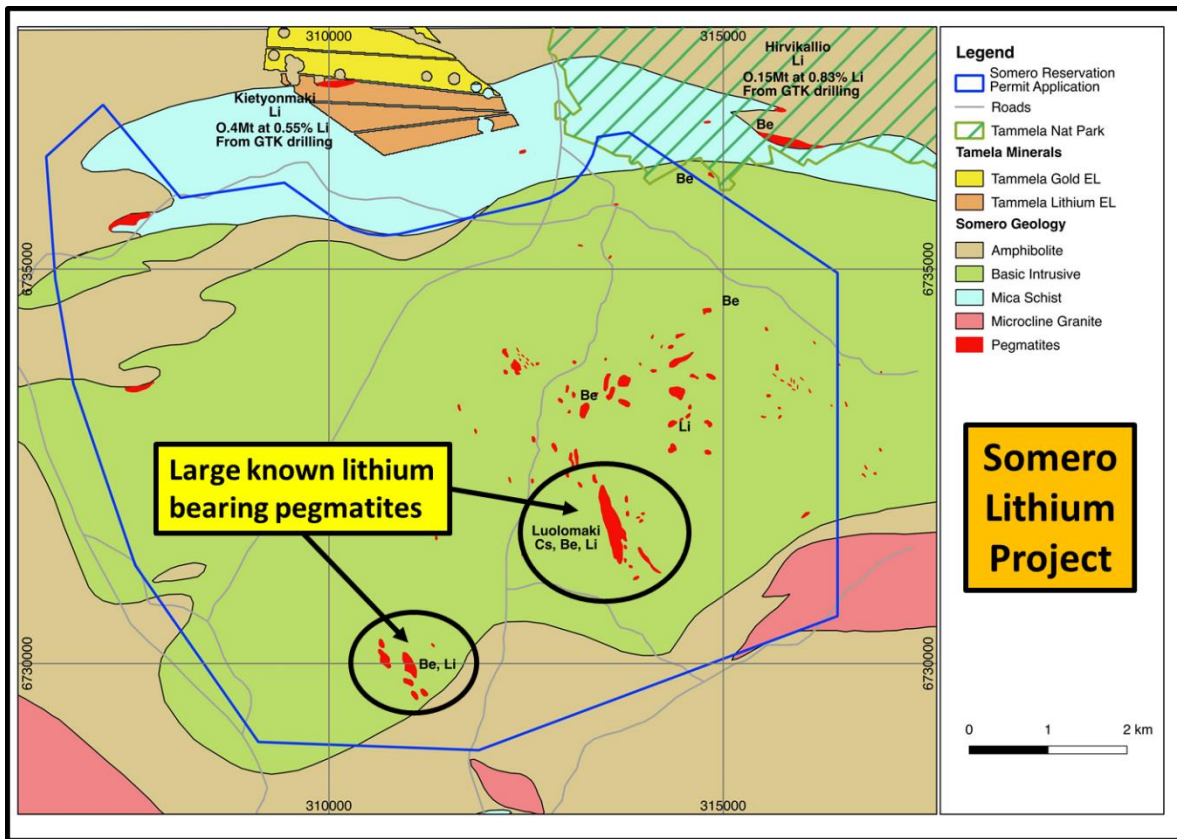
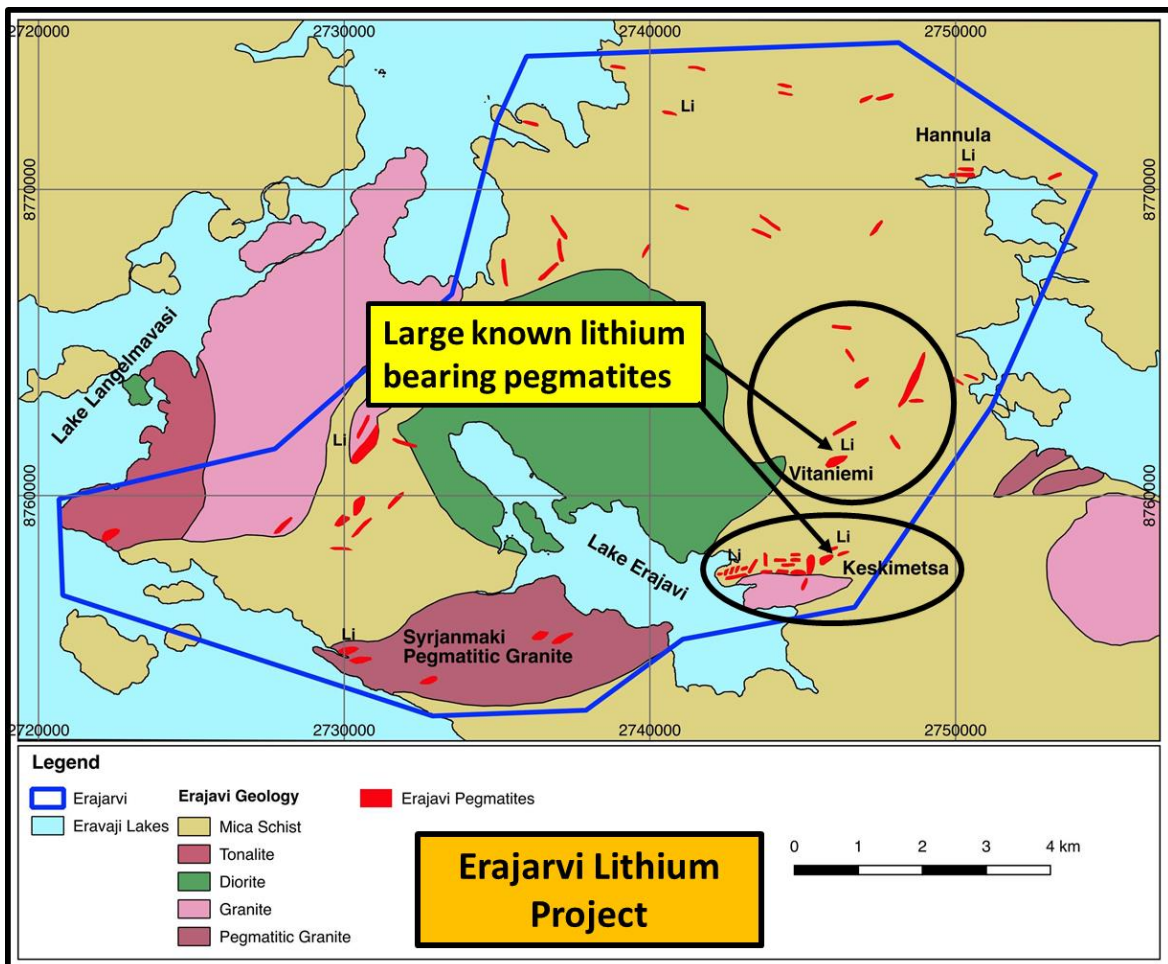


Figure 3. Erajarvi Project highlighting high priority lithium bearing pegmatite swarms



## 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:

### Oman

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 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.

### Mozambique

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. Jangamo has a 65Mt Inferred Mineral Resource at a grade of 4.2% total heavy minerals ("THM") at a 2.5% cut-off grade. The Mutamba, Dongane and Chilubane deposits have a combined exploration target of 7-12Bn tonnes at a grade of 3-4.5% THM (published in 2008).

### Finland

Savannah has Reservation Permits over two new lithium projects, Somero and Eräjärvi, 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 Eräjärvi as two of the most prospective areas to discover lithium deposits in Finland. During 2016 Savannah is undertaking an exploration programme including data compilation, geological mapping and surface sampling with the aim of generating drill ready targets.