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1 September 2014

Savannah Resources Plc
Potential Volcanic Massive Sulphide Clusters Identified
Blocks 5&6 Copper Project, Oman

Savannah Resources plc (AIM: SAV) announces that it has received positive results from the recent reprocessing of a Versatile Time Domain Electromagnetic airborne survey ('VTEM') originally completed in 2010 at its highly prospective, 870km² Block 5 and Block 6 copper project ('the Project'), located in the prospective, copper rich Seminail Ophiolite Belt in northern Oman. To view the release with the illustrations please use the following link:

Highlights:

- New VTEM anomalies identified in the vicinity of known Volcanic Massive Sulphide ('VMS') copper deposits and mineralisation indicates excellent potential for VMS clusters
- 94 prospective anomalies identified: 8 *Priority 1*, 12 *Priority 2* and 74 *Priority 3*
- Results underpin potential to increase current Indicated and Inferred Mineral Resource of 1.7Mt at 2.2% Cu (including a high-grade zone of ~0.5Mt at 4.5% Cu)
- On track to drill before the end of 2014 - site office and operational base now established in Sohar, Oman
- Exploration will focus on evaluating potential open-pittable copper targets at Block 5 during the first two years of exploration
- High priority exploration targets areas include Maqail South (6.68m at 7.42% copper), Mahab 4 (Indicated and Inferred Mineral Resource of 1.7Mt at 2.2% copper), Sarami (4m at 3.3% copper), Hara Kilab (5.54m at 3.96% copper), and Mahab 2 (5m at 2.81% copper)
- The Sultanate of Oman is a modern Middle Eastern country with excellent infrastructure, low fuel costs and a favourable fiscal regime to support any potential mine development

Savannah's CEO, David Archer said, "We are particularly pleased with these highly encouraging results from the reprocessing of the 2010 VTEM data. We are buoyed by the fact that in most cases throughout the world individual VMS deposits very rarely occur by themselves and these new results point towards the real possibility that a number of clusters of VMS deposits are present within the tenements.

"These early results underscore Savannah's strategy, that through the application of systematic exploration, an excellent opportunity exists in Oman to build a significant mid-tier copper producer around the development of clusters of moderate to high grade copper deposits utilising a central processing facility.

"Oman is a well-developed country with excellent infrastructure and a favourable overall development setting. The Project benefits from close proximity to a major deep sea port, bitumen

roads across the licence areas and adjacent power lines, low fuel and labour costs, in addition to a favourable fiscal and tax regime.''

VTEM

The 2010 VTEM data covering Blocks 5 and 6 were re-processed and compared with other information such as aerial photography, topography and magnetics for ranking. The ranking of these preliminary targets was based on priority, with a 1-3 scale where 1 is the highest priority. The targeting and ranking exercise produced a total of 94 targets, including 8 *Priority 1* targets, 12 *Priority 2* targets and 74 *Priority 3* targets (Figure 1). Importantly the processing was able to identify and discount 125 topographic and cultural anomalies.

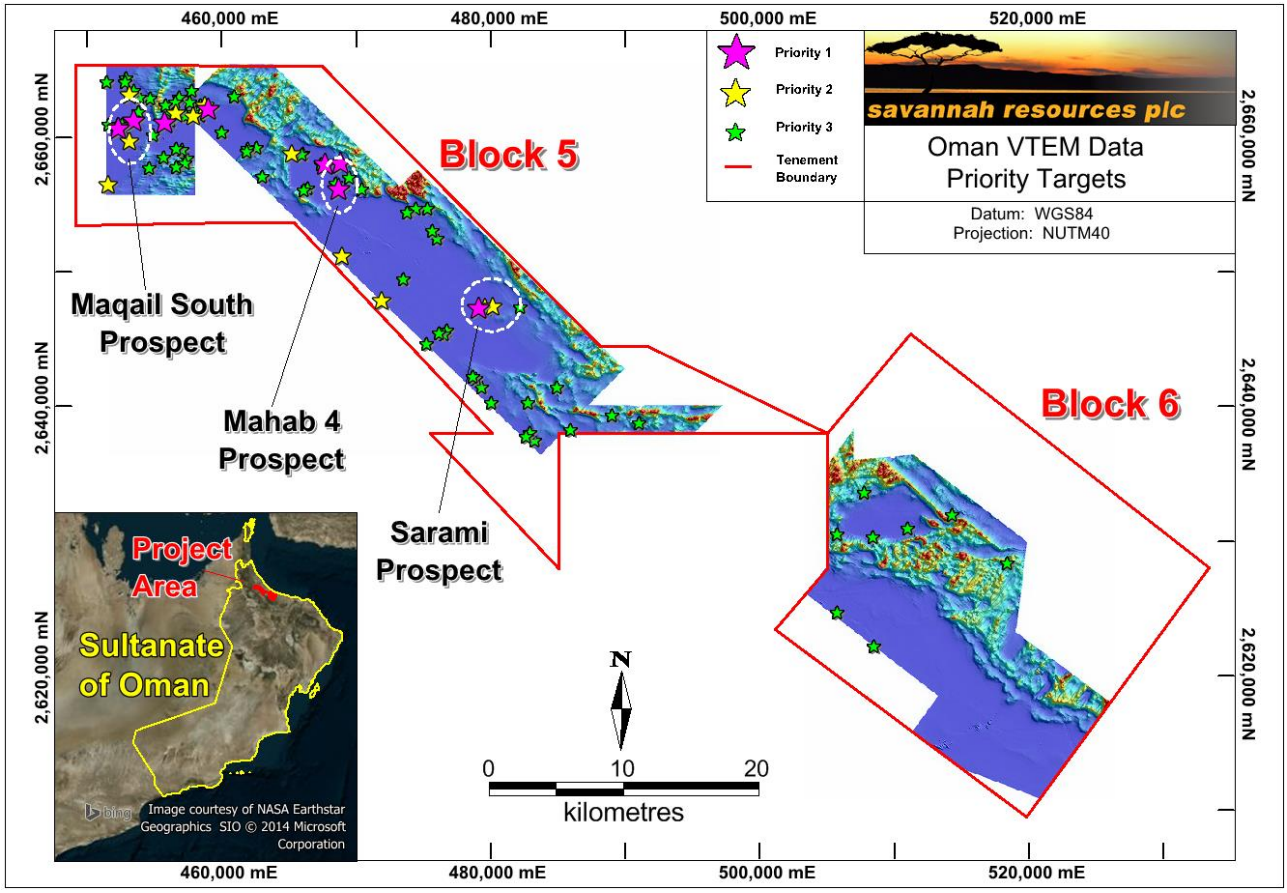

Figure 1. Image of reprocessed VTEM showing the 94 Priority 1, 2 and 3 anomalies

Prospects

An initial review of the new VTEM results has indicated that there are a number of priority anomalies which occur in the vicinity of known VMS copper mineralisation occurrences. These areas are thought to be of high priority for further exploration work as VMS deposits generally occur in clusters and the VTEM data supports this possibility. High priority exploration targets include:

- Maqail South - **(6.68m at 7.42% copper – Figure 2)**,
- Mahab 4 - **(Indicated and Inferred Mineral Resource of 1.7Mt at 2.2% copper – Figure 3),**
- Sarami - **(4m at 3.3% copper – Figure 4),**
- Hara Kilab - **(5.54m at 3.96% copper),** and
- Mahab 2 - **(5m at 2.81% copper).**

Defined prospects within Block 5 and Block 6 are at a variety of stages of exploration from preliminary evaluation up to advanced exploration and require detailed review and analysis to determine the next steps in the exploration programmes. Savannah will initially be focussed on evaluating potential open pittable targets at Block 5 during the first two years of exploration using a multi-layered approach including detailed geological and regolith mapping, stratigraphy, structure, geochemistry and geophysics to delineate prospects.

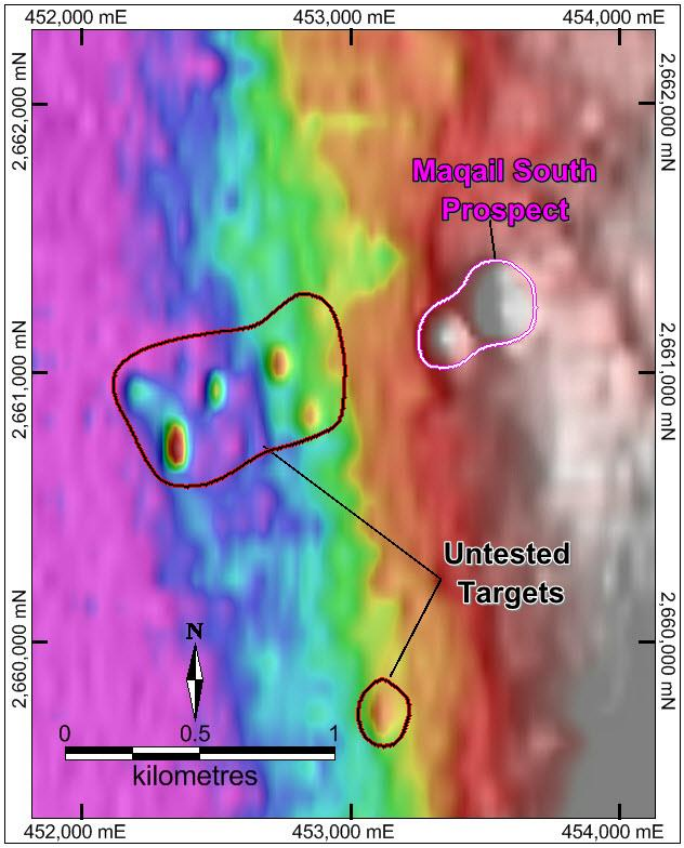

Figure 2. Enlargement of VTEM image in the **Maqail South Prospect (drilling intercepts include 6.68m at 7.42% copper)** area showing a series of untested VTEM targets which could potentially form part of a VMS cluster.

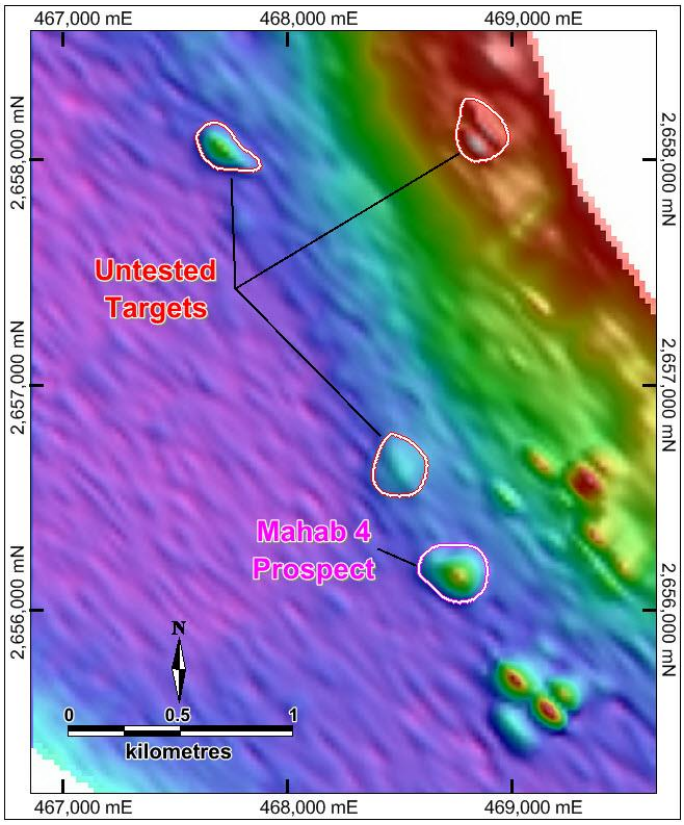

Figure 3. Enlargement of VTEM image in the **Mahab 4 Prospect (Indicated and Inferred Mineral Resource of 1.7Mt at 2.2% copper)** area showing a series of untested VTEM targets which could potentially form part of a VMS cluster.

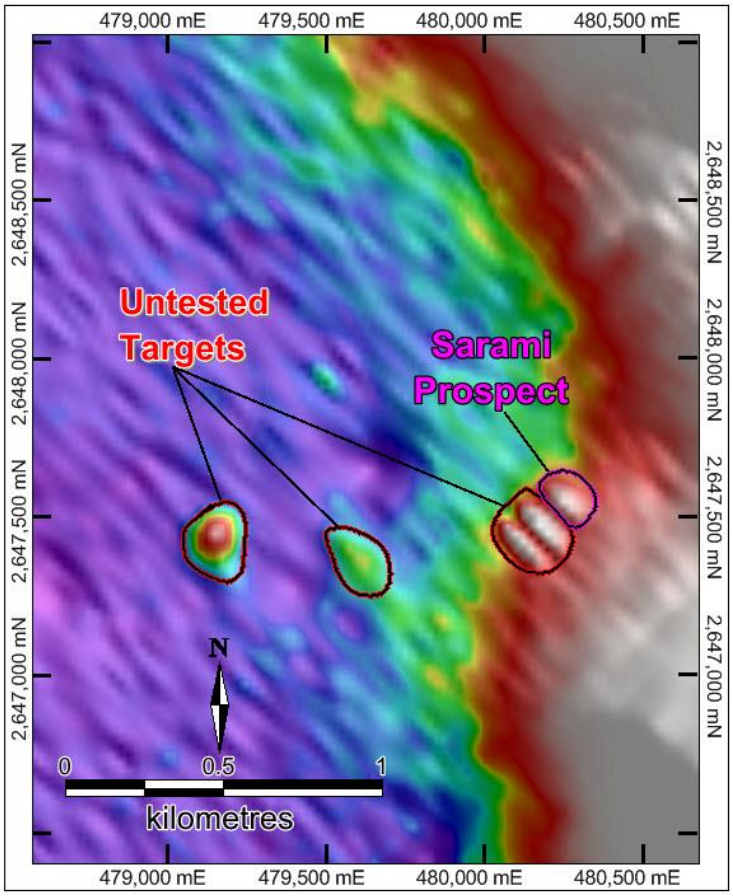

Figure 4. Enlargement of VTEM image in the **Sarami Prospect (drilling intercepts include 4m at 3.3% copper)** area showing a series of untested VTEM anomalies which could potentially form part of a VMS cluster.

Ongoing Exploration Programme

As detailed in the April 2014 RNS release, Savannah's multi-faceted exploration programme is now well underway with a view to commencing drilling in Q4 of 2014. Phase 1 of this programme is now complete and the data is being analysed, this work programme included:

- Compile, validate and assess all available digital data
- Complete a rigorous detailed targeting assessment of the geophysical data looking at subtle targets, targets under cover, and targets potentially concealed by cover along known prospective trends
- Improve understanding through better characterisation of known deposits, inside and outside the Project, especially through litho-geochemical signatures of mineralisation and alteration and a better definition of structural and litho-stratigraphic control

Next Steps

Savannah's multi-faceted programme is ongoing with the next steps including:

- Geological and stratigraphic mapping
- Field review of priority 1,2,and 3 VTEM anomalies
- Regolith mapping to establish areas of transported cover
- Structural geology, geochemistry and litho-geochemical studies
- Satellite based imagery, air and ground based geophysics
- Geological Interpretation and targeting using all data sets
- Reverse Circulation ('RC') Drilling

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% THM (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.