AN ENERGY METALS GROUP

savannah resources plc

SAVANNAH RESOURCES PLC

AIM: SAV

11 February 2019

Savannah Resources Plc

Continuity of Lithium Mineralisation Confirmed Through Further Drilling at the Grandao, Reservatorio and Pinheiro Deposits, at the Mina do Barroso Lithium Project, Portugal

Highlights:

- Reverse Circulation ('RC'), diamond infill and extensional drilling at the Grandao, Reservatorio and Pinheiro Deposits confirms the continuity of mineralisation in the areas tested
- Key lithium intersections at Grandao include:
  - 46.11m at 1.04% Li_2O from 157.44m in 18GRARC125 (diamond tail)
  - 19.70m at 1.28% Li_2O from 174m in 18GRARC0122 (diamond tail)
  - 15.27m at 1.37% Li_2O from 137.73m in 18GRARC125 (diamond tail)
- Key lithium intersections at Reservatorio include:
  - 36m at 1.15% Li_2O from 62m in 18RESDD008
- Key Lithium intersections at Pinheiro include:
  - 15m at 0.97% Li_2O from 81m in 18PNRRC019
- Drilling has focused on building confidence in the continuity of mineralisation at Grandao and Reservatorio, with recent results confirming the geological model for these deposits
- Positive results at Pinheiro have shown that additional drill testing is required to further define the full extent of the lithium mineralisation
- The diamond drill rig continues to work on the collection of metallurgical samples at the Grandao Deposit
- The RC rig commenced drilling on the Aldeia ground in mid-January 2019 with 20 RC holes for 1,268m drilled to the week ending 1 February
- Results underpin the Company's strategy of aiming to become Europe's most significant producer of lithium spodumene concentrates in response to the growing demand from the expanding European Electric vehicle market

Savannah Resources plc (AIM: SAV, FWB: SAV and SWB: SAV) ('Savannah' or the 'Company'), the resource development company, is pleased to announce further positive results from the ongoing

RC and diamond drilling programmes at the Mina do Barroso Lithium Project ('Mina do Barroso' or 'the Project') located in northern Portugal **(Figure 1).**

Savannah's CEO, David Archer said: "The impressive continuity of lithium mineralisation revealed by these results continues to underpin the true potential of the Mina do Barroso Lithium project. While much of the recent drilling has been focused on increasing the Mineral Resource categories for the Definitive Feasibility Study ('DFS') that is currently underway, the drilling programme at Mina do Barroso continues to deliver expansions to the mineralised zone at Grandao, extensions in depth at Reservatorio and further encouraging results from the Pinheiro deposit. In particular, Pinheiro is shaping up well as a further spodumene lithium deposit and is set to augment the three main deposits that have been defined to date on the granted, C-100 Mining Lease.

"Furthermore, these results both complement the excellent metallurgical test work results announced in January, which produced a 6% Li_2O, low impurity concentrate, and highlights the fast tempo of work which is ongoing at the Project. We believe we have a Project that is potentially ideally positioned both in terms of geography and development path to become a leading supplier of lithium spodumene product to the rapidly emerging European Electric vehicle market. This scale of this market was recently highlighted by VW pledging to spend circa 80 billion euros on mass-producing electric vehicles and purchasing batteries.

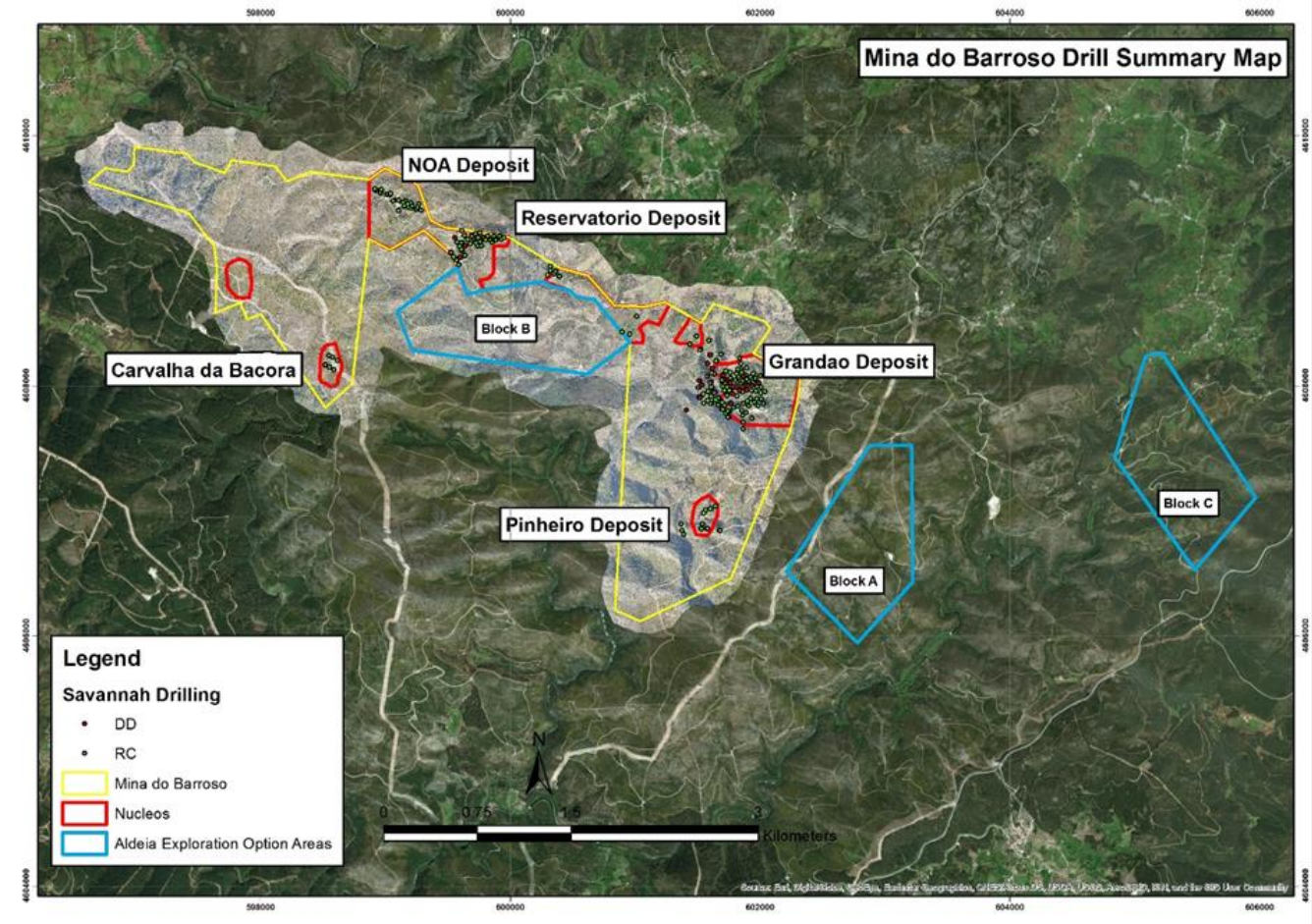
"We have a significant amount of work being conducted across the Project, a strong balance sheet and look forward to regularly communicating progress as we look to fulfil our rapid development strategy."

Further Information

A total of 307 holes for 25,757m have been drilled to date at Mina do Barroso as part of the ongoing RC and diamond drill programme, which is primarily focused on the Grandao, Reservatorio and NOA deposits.

The results from the recent RC and diamond drilling at Grandao, Reservatorio and Pinheiro have now been received, with diamond drilling ongoing at Grandao and with a series of diamond tails being completed on some original RC drill holes.

Figure 1. Mina do Barroso Project Summary Map showing Prospects and Drilling Completed



Grandao Deposit Drilling

The drill programme at Grandao has concentrated on both gaining further confirmation of the down dip extension of the main pegmatite body and acquiring representative samples for metallurgical testing. The Grandao pegmatite dips moderately to the west and drilling has confirmed that the pegmatite continues to be strongly mineralised. Along with an increase in the lithium concentrations, the thickness of the pegmatite increases to approximately 50m in true width while continuing to be open to the west. A diamond tail was drilled to extend 18GRARC120 with the aim of confirming the position of an interpreted steep dipping pegmatite body that intersects the main Grandao pegmatite. The hole confirms that lithium mineralisation continues at depth and provides a viable target to increase the resource.

The metallurgical drilling has continued with the aim of collecting both unweathered and weathered ore that will be representative of the first few years of mining. The metallurgical test work will focus on testing for the most efficient way of concentrating the lithium bearing spodumene, with the results underpinning the mining Feasibility Study ('FS').

Table 1. Summary of drill results for Grandao Deposit using a 0.5% Li_2O cut-off

Hole ID	Prospect	Easting	Northing	rL	Azimuth (Deg)	Dip (Deg)	EOH (m)	From (m)	To (m)	Down hole Interval (m)	Grade % Li_2O
18GRARC114	*Grandao*	601618.82	4608139.79	524.60	80	-65.00	114.40	76.4	86.7	10.3	1.02
18GRARC120	*Grandao*	601733.80	4607987.78	532.95	119	-75.00	249.50	123.85	128.1	4.25	1.59
								202	228	26	0.97
18GRARC121	*Grandao*	601581.00	4608181.00	539.00	0	-90.00	80.00	106	111	5	0.89
18GRARC122	*Grandao*	601544.61	4607861.50	537.27	270	-72	200.30	174.00	193.70	19.70	1.28
18GRARC124	*Grandao*	601715.23	4607843.66	530.96	100	-72	188.00	88	100.48	12.48	0.75
								152.87	158.18	5.31	1.16
								167.85	175	7.15	1.18
18GRARC125	*Grandao*	601510.00	4607985.00	502.00	293	-70	212.00	137.73	153	15.27	1.37
								157.44	203.55	46.11	1.04
18GRADD018	*Grandao*	601902.00	4608000.00	585.00	0	-90.00	53.15	NSA			
18GRADD024	*Grandao*	601513.41	4607905.76	507.91	54	-77	152.90	94.63	104	9.37	1.02
								138	147.94	9.94	1.23
18GRARC126*	*Grandao*	601511.00	4608037.00	518.00	92	-70.00	91.00	52	56	4	0.76
18GRARC127*	*Grandao*	601513.00	4608041.00	518.00	272	-70.00	80.00	65	70	5	1.07

*RC Pre-collar

Figure 2. Summary of drilling at Grandao Deposit showing significant assay results

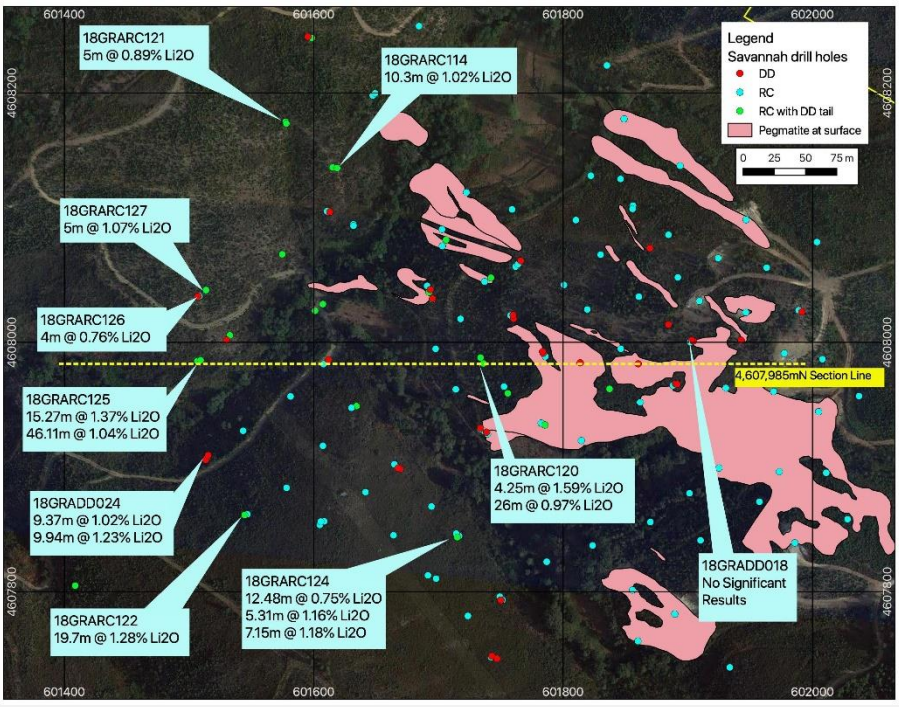
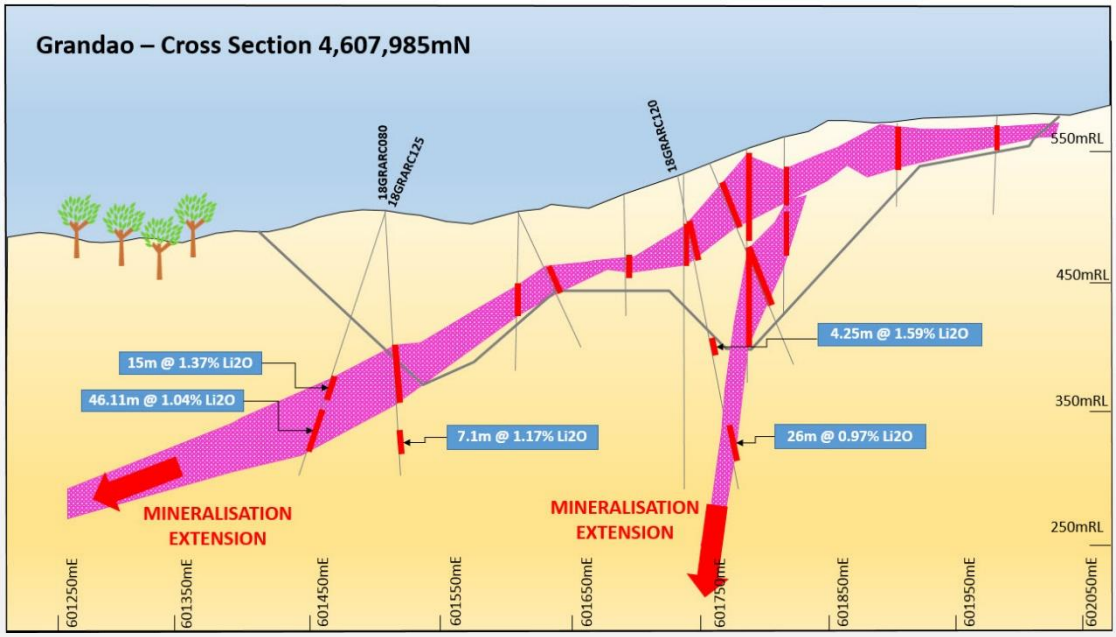


Figure 3. Grandao Deposit Cross section



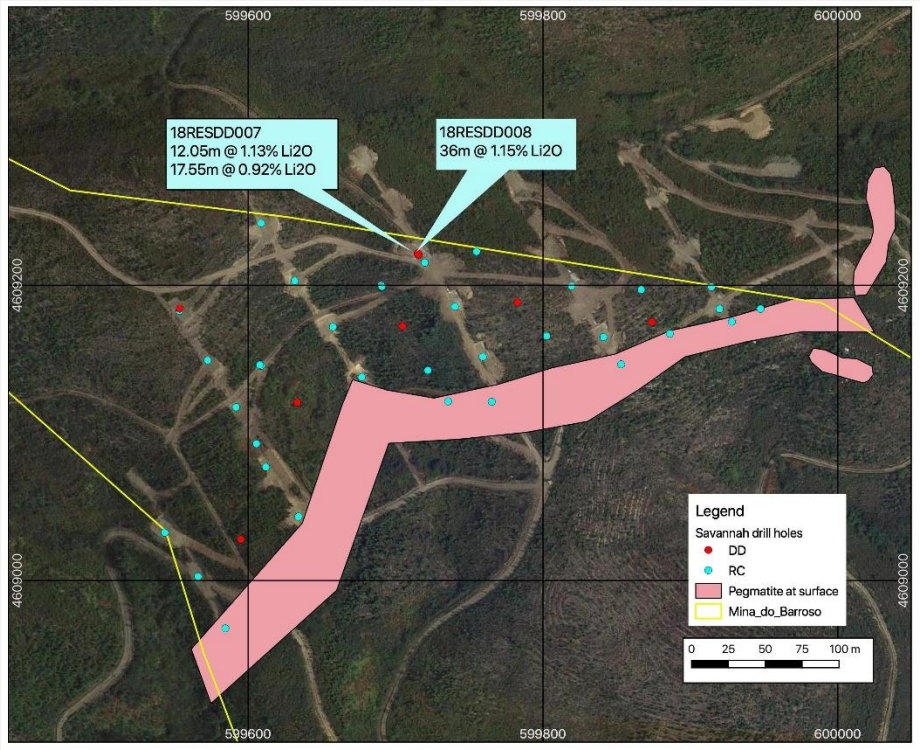
Reservatorio Drilling

A programme of geotechnical drilling was carried out at the Reservatorio deposit with the aim of testing the structural characteristics of the rock that will define the proposed pit wall. The holes were also designed to intersect both the surrounding schist and the mineralized pegmatite. A diamond rig was used to extract core, oriented so that structural measurements could be taken and used to analyse the strength of the wall rock. The results have been sent to consultants Knight Piesold to analyse the data and assess the suitability of the proposed pit design. Results from the assaying of the Reservatorio pegmatite have continued to show that it contains significant mineralisation at depth.

Table 2. Summary of drill results for Reservatorio Deposit using a 0.5% Li_2O cut-off

Hole ID	Prospect	Easting	Northing	rL	Azimuth (Deg)	Dip (Deg)	EOH (m)	From (m)	To (m)	Down hole Interval (m)	Grade % Li_2O
18RESDD007	*Reservatorio*	599715.66	4609220.39	616.20	150	-75	129.20	61.65	73.70	12.05	1.13
								81.00	98.55	17.55	0.92
18RESDD008	*Reservatorio*	599715.04	4609221.47	616.21	0	-90	129.80	62.00	98.00	36.00	1.15

Figure 4. Summary of drilling at Reservatorio Deposit showing significant assay results



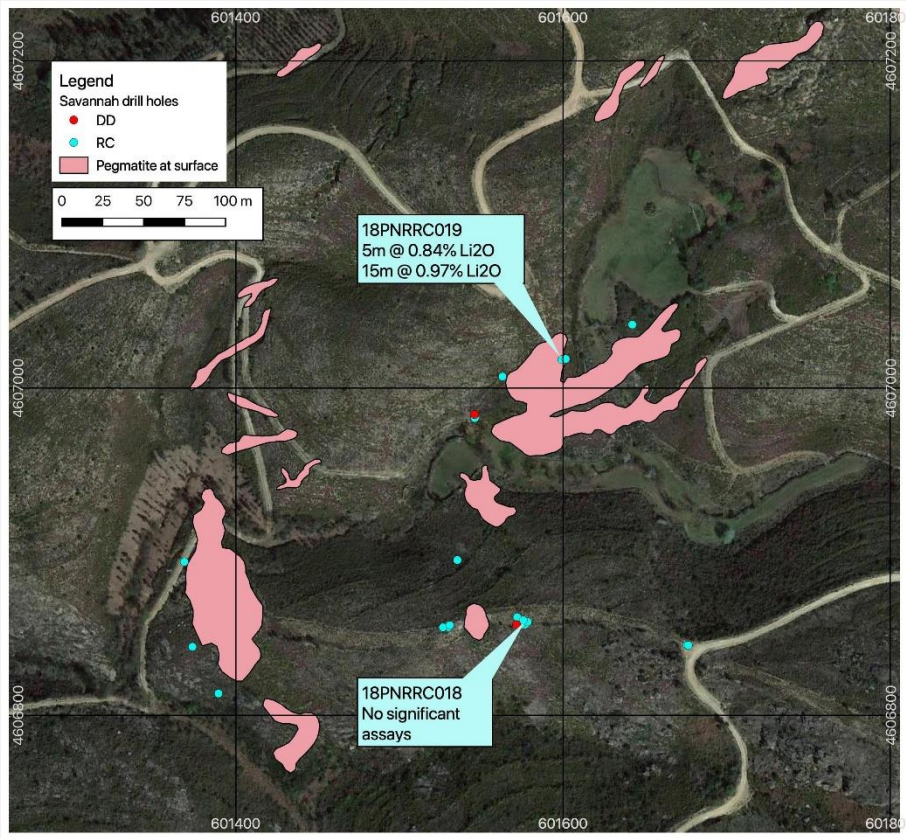
Pinheiro RC Drilling

The last of the results from the RC drill programme at Pinheiro were received at the end of 2018 and further confirm the presence of lithium mineralisation in the larger pegmatite bodies. This initial drill programme has been successful in intersecting a series of significantly mineralised pegmatites that indicate the possibility of a reasonably sized resource at the prospect. Further drilling will be planned to define the extent of the pegmatite field with the aim of increasing the size of the defined mineralisation.

Table 3. Summary of drill results for Pinheiro Deposit using a 0.5% Li_2O cut-off

Hole ID	Prospect	Easting	Northing	rL	Azimuth (Deg)	Dip (Deg)	EOH (m)	From (m)	To (m)	Down hole Interval (m)	Grade % Li_2O
18PNRRC018	*Pinheiro*	601603.00	4607017.00	583.00	*300*	-70.00	80.00	NSA			
18PNRRC019	*Pinheiro*	601575.00	4606859.00	580.00	*205*	-55.00	81.00	7	12	5	0.84
								23	38	15	0.97

Figure 5. Summary of drilling at Pinheiro Deposit showing significant assay results



Competent Person Statement

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 Australasian 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.

Regulatory Information

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

****ENDS****

CONTACT US

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

David Archer	Savannah Resources plc	Tel: +44 20 7117 2489
David Hignell / Lindsay Mair (Nominated Adviser)	SP Angel Corporate Finance LLP	Tel: +44 20 3861 6625
Christopher Raggett / Camille Gochez (Broker)	finnCap Ltd	Tel: +44 20 7220 0500
Grant Barker (Equity Adviser)	Whitman Howard	Tel: +44 20 7659 1225
Melissa Hancock/ Cosima Akerman (Financial PR)	St Brides Partners Ltd	Tel: +44 20 7236 1177

About Savannah

Savannah is a diversified resources group (AIM: SAV) with a portfolio of energy metals projects - lithium in Portugal and copper in Oman - together with the world-class Mutamba Heavy Mineral Sands Project in Mozambique, which is being developed in a consortium with the global major Rio Tinto. The Board is committed to serving the interests of its shareholders and to delivering outcomes that will improve the lives of the communities we work with and our staff.

The Company is listed and regulated on AIM and the Company's ordinary shares are also available on the Quotation Board of the Frankfurt Stock Exchange (FWB) under the symbol FWB: SAV, and the Börse Stuttgart (SWB) under the ticker "SAV".

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	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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). These examples should not be taken as limiting the broad meaning of sampling.*	• Reverse circulation (HQ size) samples were taken on either 1m intervals for pegmatite or 4m composites in surrounding schist. RC samples were collected in large plastic bags from an on-board rig splitter and a 4-6kg representative sample taken for analysis.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Drilling was conducted on a nominal 80m by 40m spacing based on geological targets using RC drilling technology, an industry standard drilling technique. Drilling rods are 3m long and 1 sample is taken for each rod interval. • Collar surveys are carried using hand held GPS with an accuracy to within 5m, and the z direction was determined by satellite derived elevation data and is accurate to less than a metre. • A downhole survey for each hole was completed
	• *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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of*	• The lithium mineralisation is predominantly in the form of Spodumene-bearing pegmatites, the pegmatites are unzoned and vary in thickness. • Down hole sampling is carried out on either a 1 or 4m interval from which 4-6kg of pulverized material (RC) was pulverized to produce a 50g charge for assaying

Criteria	JORC Code explanation	Commentary
	detailed information.	
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	• RC drilling at a diameter of 120mm is a form of reverse circulation drilling requiring annular drill rods. Compressed air is pumped down the outer tube and the sample is collected from the open face drilling bit and blown up the inner tube.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Field assessment of sample volume. A theoretical dried sample mass was estimated to be within the range of 18 kg to 24 Kg, 70% of samples are within the expected range. Lower than average sample recovery is recorded only for the very top of the drill hole due to air and sample losses into the surrounding soil
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• RC drilling sample weights were monitored to ensure samples were maximized. Samples were carefully loaded into a splitter and split in the same manner ensuring that the sample split to be sent to the assay laboratories were in the range of 4-6kg.
	• *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.*	• No obvious relationships

Criteria	JORC Code explanation	Commentary
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.*	• RC holes were logged in the field at the time of sampling. • Each 1m sample interval was carefully homogenised and assessed for lithology, colour, grainsize, structure and mineralisation. • A representative chip sample produced from RC drilling was washed and taken for each 1m sample and stored in a chip tray which was photographed
Sub-sampling techniques and sample preparation	• *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.*	• RC samples were split by the rotary splitter on the drill rig and sampled dry
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• The sampling was conducted using industry standard techniques and were considered appropriate
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• The 4m composites were collected using a spear with the spear inserted into the bag at a high angle and pushed across the sample to maximise representivity of the sample
	• *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.*	• Every effort was made to ensure that the samples were representative and not bias in anyway
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All samples were taken once they went through the on-board splitter from the drill rig. Depending on the rock types on average a 4-6kg sample was sent to the lab for analysis and the remaining material averaged 18-24kg and remains stored on site for any further analysis required
Quality of assay data and	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the*	• Samples were received, sorted, labelled and dried • Samples were crushed to 70% less than 2mm, riffle split off 250g,

Criteria	JORC Code explanation	Commentary
laboratory tests	*technique is considered partial or total.*	pulverize split to better than 85% passing 75 microns and 5g was split of for assaying • The samples were analysed using ALS laboratories ME-MS89L Super Trace method which combines a sodium peroxide fusion with ICP-MS instrumentation utilizing collision/reaction cell technologies to provide the lowest detection limits available. • A prepared sample (0.2g) is added to sodium peroxide flux, mixed well and then fused in at 670°C. The resulting melt is cooled and then dissolved in 30% hydrochloric acid. This solution is then analysed by Inductively Coupled Plasma – Mass Spectrometry and the results are corrected for spectral inter-element interferences. • The final solution is then analysed by ICP-MS, with results corrected for spectral inter-element interferences.
	• *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.*	• Not used
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Standards/blanks and duplicates we inserted on a 1:20 ratio for both to samples taken • Duplicate sample regime is used to monitor sampling methodology and homogeneity. • A powder chip tray for the entire hole is completed for both RC and RAB. A sub-sample is sieved from the large RC bags at site into chip trays over the pegmatite interval to assist in geological logging. These are photographed and kept on the central database

Criteria	JORC Code explanation	Commentary
		• Routine QA/QC controls for the method ME-MS89L include Blanks, certified reference standards of Lithium and duplicate samples. Samples are assayed within runs or batches up to 40 samples. At the fusion stage that quality control samples are included together with the samples, so all samples follow the same procedure until the end. Fused and diluted samples are prepared for ICP-MS analysis. ICP instrument is calibrated through appropriate certified standards solutions and interference corrections to achieve strict calibration fitting parameters. Each 40 samples run is assayed with 2 blanks, 2 certified standards and one duplicate samples and results are evaluated accordingly. • A QA/QC review of all information indicated that all assays were inside reasonable tolerance levels.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• All information was internally audited by company personnel
	• *The use of twinned holes.*	• Several historical holes we twinned for comparison purposes with the modern drilling
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Savannah's experienced project geologists supervise all processes. • All field data is entered into a custom log sheet and then into excel spreadsheets (supported by look-up tables) at site and subsequently validated as it is imported into the centralized Access database. • Hard copies of logs, survey and sampling data are stored in the local office and electronic data is stored on the main server.
	• *Discuss any adjustment to assay data.*	• Results were reported as Li(ppm) and were converted to a percentage by dividing by 10,000 and then to Li_2O% by multiplying by 2.153
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings*	• The coordinate of each drill hole was taken at the time of collecting using a handheld GPS with an accuracy of 5m.

Criteria	JORC Code explanation	Commentary
	and other locations used in Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The grid system used is WSG84 • Topographic accuracy was +/- 5m
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.*	• Drilling was on a nominal 80m by 40m spacing and based on geological targets • Drill data is not currently at sufficient spacing to define a mineral resource. • Some samples were composited on a 4m basis based on geological criteria, these areas were all outside the pegmatite bodies where 1m sampling was completed
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 orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drilling was orientated perpendicular to the known strike of the pegmatites • Drill holes we orientated at either -60 degrees or -90 degrees depending on the dip of the pegmatite in an attempt to get drill holes as close to true width as possible
Sample security	• *The measures taken to ensure sample security.*	• Samples were delivered to a courier and chain of custody is managed by Savannah.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Internal company auditing

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.*	• All work was completed inside the 75% owned Mina do Barroso project C-100
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• N/A
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The lithium mineralisation is predominantly in the form of Spodumene-bearing pegmatites which are hosted in meta-pelitic and mica schists, and occasionally carbonate schists of upper Ordovician to lower Devonian age. The pegmatites are unzoned and vary in thickness from 15m-120m. Lithium is present in most aplite compositions.

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*
		• Grid used WSG84
		• No material data has been excluded from the release
		• All hole details are in Table 1 of the main release

Criteria	JORC Code explanation	Commentary
	○ *hole length.* • *If the exclusion of this information is 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 (e.g. 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.*	• High Grade Intercepts are weighted averages using a 0.5% Li_2O cut off with no more than 2m of internal dilution • Narrow zones of schist (less than 5m) have been included in the significant intercepts where they are mineralised
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 (e.g. 'down hole length, true width not known').*	• Exploration results are reported as down hole intercepts • No metal equivalent values have been used. • The drill holes are detailed in the table in the main release and the pegmatite at Reservatorio appears to dip at around 40degrees to the north west and at Grandao dips shallowly to the west to south west
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should*	• Relevant diagrams and maps have been included in the main body of the release.

Criteria	JORC Code explanation	Commentary
	include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
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 relevant results available 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; potential deleterious or contaminating substances.*	• The interpretation of the results is consistent with the observations and information obtained from the data collected.
Further work	• *The nature and scale of planned further work (e.g. 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.*	• Further rock chip sampling, channel sampling and RC drilling. Once planning has been completed the detail will be provided