



savannah resources plc

SAVANNAH
RESOURCES PLC

AIM: SAV

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

Savannah Resources Plc

PROJECT PORTFOLIO

MINERAL
SANDS

MOZAMBIQUE
(CONSORTIUM
AGREEMENT WITH
RIO TINTO)

COPPER/GOLD
OMAN

LITHIUM
FINLAND

Ravene Drilling Programme Underway at Mutamba Project, Mozambique

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), announces that it has commenced drilling at the Ravene deposit in Mozambique (Figures 1-2), which forms part of the Mutamba (mineral sands) Project, being developed by Savannah and Rio Tinto as part of a consortium agreement (the 'Consortium').

HIGHLIGHTS:

- Auger drill programme is nearing completion at the Ravene deposit, targeting high-grade zones where past drilling has returned results of up to 14.7% Total Heavy Minerals ('THM')
- Follow up RC drill programme is also underway with approximately 88 drill holes for 3,500m of exploratory drilling and is expected to be completed in January 2017
- The aim of this drilling programme is to infill an existing 1,000m x 500m grid to give enough confidence to complete an Inferred Mineral Resource estimation
- Work being fast tracked so Ravene can be considered as part of a scoping study

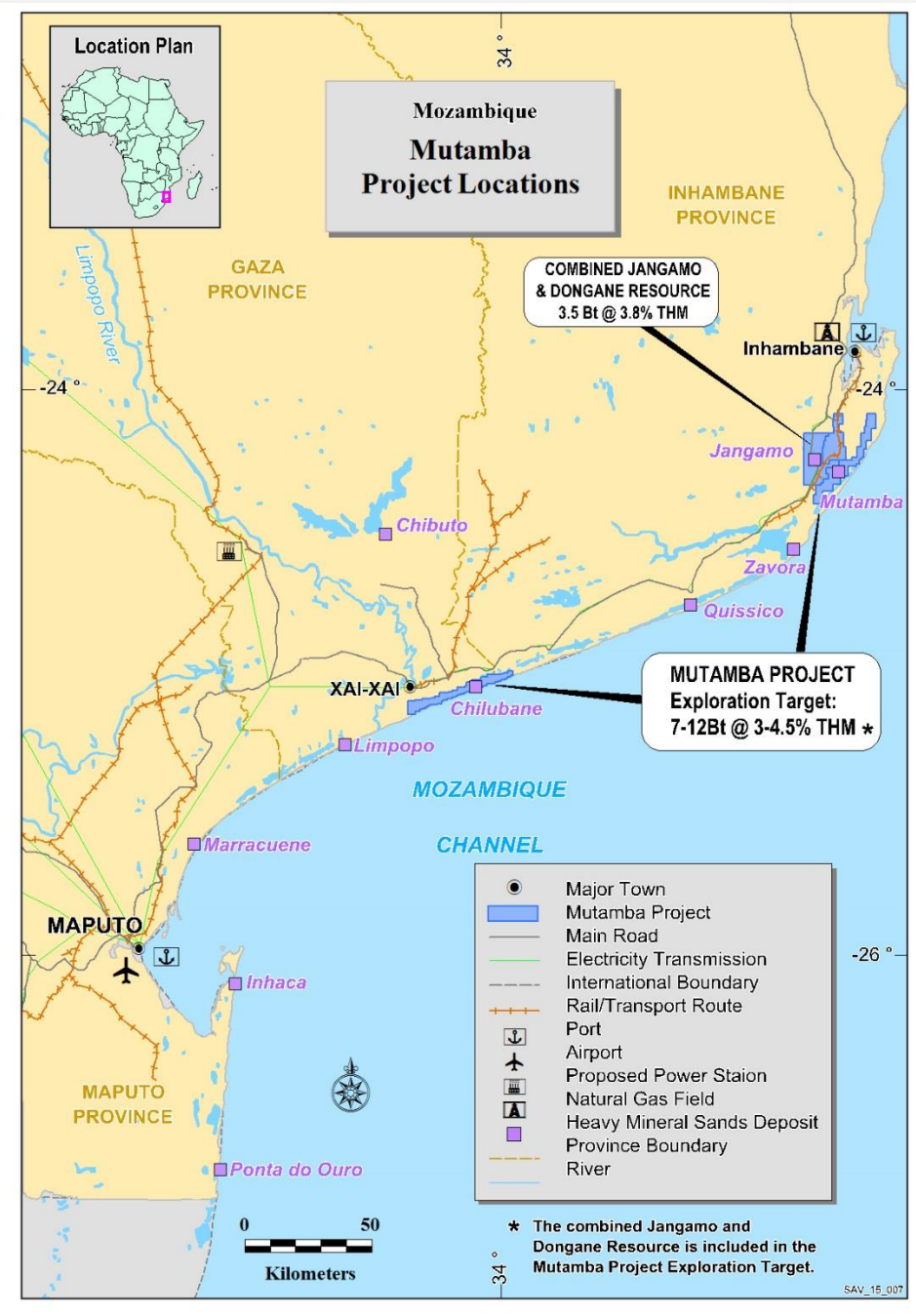
David Archer, Savannah's Chief Executive Officer said today "Our resource definition drilling will more precisely define the high-grade zones of THM at the Ravene deposit, which we believe could increase the current global Indicated and Inferred Mineral Resource inventory of 3.5 billion tonnes at 3.8% THM at the Mutamba Project North."

Introduction

Previously referred to as the Mutamba/Jangamo Project, the Mutamba Project comprises the Jangamo, Dongane and Ravene deposits (the "Mutamba Project North") in the province of Inhambane and the Chilubane deposit located near Xai Xai, 180km to the south west of the Mutamba Project North (Figure 1). There is an initial Indicated and Inferred Mineral Resource Estimate of 3.5 billion tonnes at 3.8% THM covering the Dongane and Jangamo only (including the 65Mt at 4.2% THM announced by Savannah in December 2014). Savannah holds a 10% interest in the Mutamba Project with the right to

earn up to 51%, subject to key milestones being met. The Mutamba project is subject to a consortium agreement between Savannah and Rio Tinto and is operated by Savannah.

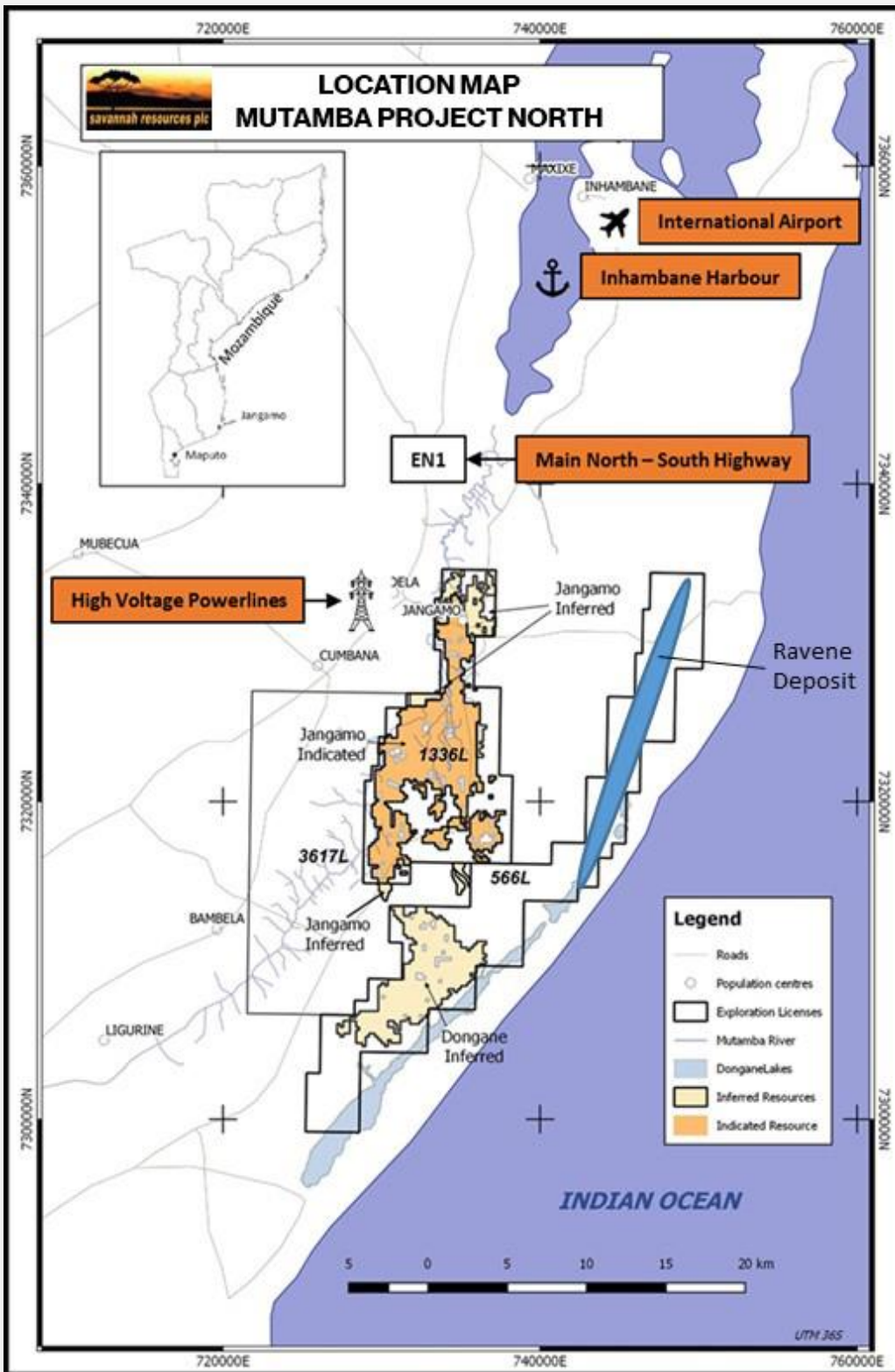
Figure 1. Mutamba Project Location Map



Note: The Mutamba Project includes the Mutamba Project North (consisting of Jangamo, Dongane and Ravene deposits) and the Chilubane deposit is located 180km to the south west of the Mutamba Project North. The current resource statement includes only the Jangamo and Dongane deposits.

*It is important to note that the above table is a summary of Exploration Targets and the potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Figure 2. Mutamba North Project Location Map

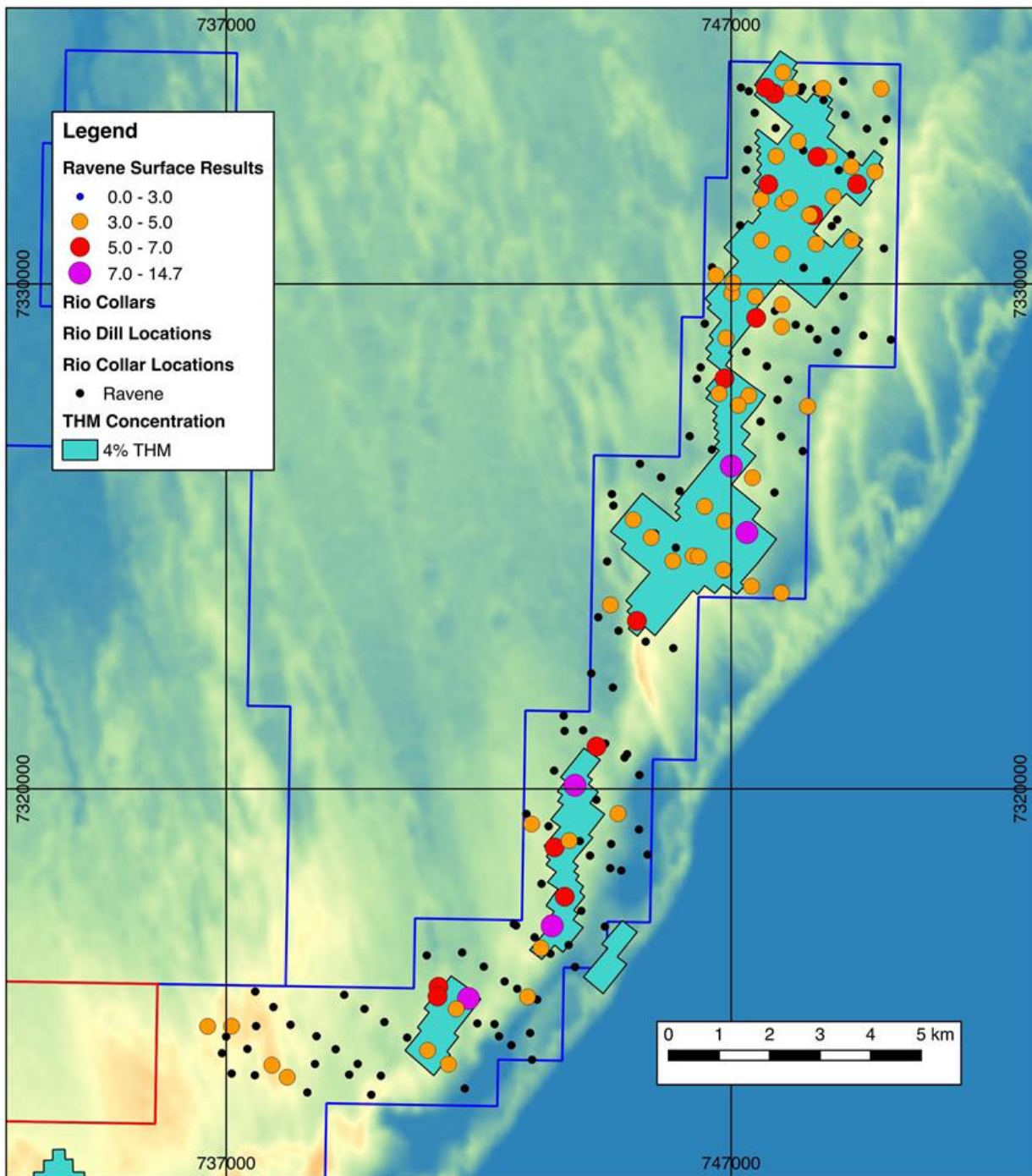


Ravene Auger Sampling Programme

The Ravene deposit is a key target, is relatively under explored and indications suggest that it potentially hosts significant zones of high-grade heavy minerals (up to 14.7% THM), and has been subject to only wide spaced drilling to date. The focus of Savannah’s exploration will be to further define the high-grade zones, with reasonable confidence (minimum of Inferred Resource), so that a scoping study to assess the viability of the deposit can be carried out. To fast track this work, a reconnaissance auger sampling programme is being carried out over the prospective dunes in an

area that has been delineated to contain high-grade THM (**Figure 3**). This will entail a detailed grid based sampling programme, which will be carried out with 400m x 400m sample spacing and will be north–south oriented (**Figure 3**). Areas where high-grade mineralisation is confirmed via the auger sampling will then being the subject of RC drilling (**Figure 4**) to tighten up the drill spacing to the point where an Inferred Resource can be estimated.

Figure 3. Heavy mineral grade distribution for the Ravene deposit

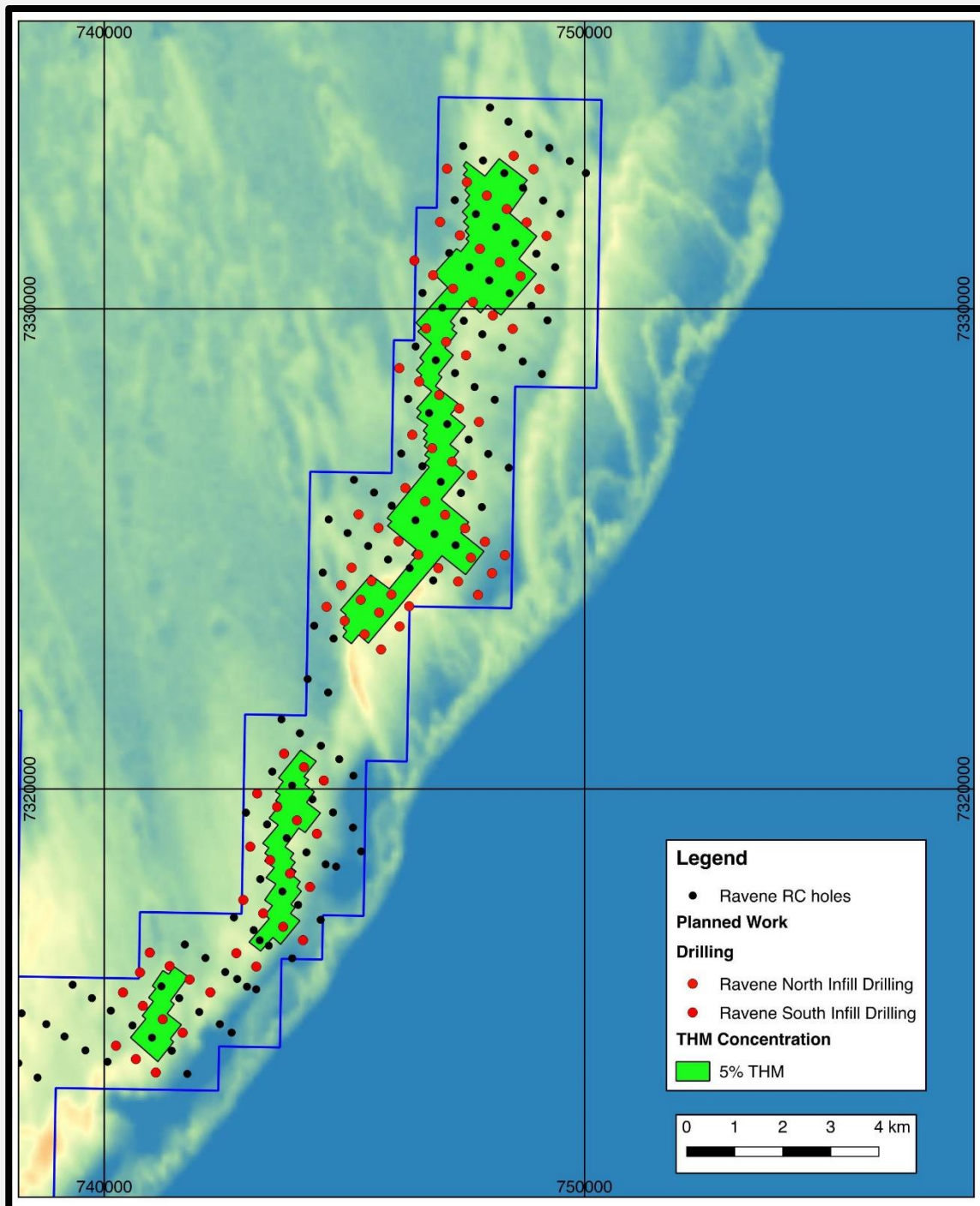


Ravene Drill Programme

An infill RC drill programme is underway at the Ravene Deposit, with a total of 3,500m of exploratory drilling to be completed from 88 holes (**Figure 4**). The aim is to infill an existing 1,000m x 500m grid to give enough confidence to complete an Inferred Mineral Resource estimation. The drilling will concentrate on delineating high-grade heavy minerals that has been outlined from previous drilling

carried out by Rio Tinto where results up to 14.7% THM were reported. The drill programme is expected to take approximately a month to complete.

Figure 4. Map of the Ravene deposit area with existing drill holes in black and proposed drill holes in red



Competent Person

The information in this document 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.

The information in this document that relates to the resource estimation is based upon information compiled by Mr Colin Rothnie, an independent consultant. Mr Rothnie 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 Rothnie 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****

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Notes

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

Mozambique

Savannah operates the Mutamba heavy mineral sands project in Mozambique in collaboration with Rio Tinto, and can earn a 51% interest in the related Consortium, which has an established initial Indicated and Inferred Mineral Resource Estimate of 3.5 billion tonnes at 3.8% THM over the Jangamo and Dongane deposits. Under the terms of the Consortium Agreement with Rio Tinto, upon delivery by Savannah of the following Savannah will earn the corresponding interest in the Mutamba Project: scoping study - 20%; pre-feasibility study - 35%; feasibility study – 51%. Additionally, the Consortium Agreement includes an offtake agreement on commercial terms for the sale of 100% of production to Rio Tinto (or an affiliate).

Oman

Savannah has interests in two 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 gold credits, 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.

Finland

Savannah has Reservation Permits over two new lithium projects, Somero and Erajarvi, covering an area of 159km² 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 Erajarvi as one of the most prospective areas to discover lithium deposits in Finland. Savannah plans to initiate an exploration programme including data compilation, geological mapping and surface sampling with the aim of generating drill ready targets during 2016.