



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

3 April 2014

Savannah Resources Plc
Ground Magnetic Survey Underway at Jangamo Project

Savannah Resources plc (AIM: SAV) announces that it has commenced the 2014 field exploration programme (Figure 1) at its highly prospective 180km² Jangamo heavy mineral sands project ('Jangamo' or 'the Project'), located in a world-class mineral sands province in southern Mozambique.

Highlights:

- 2014 exploration programme commenced at Jangamo to more precisely define extent of heavy mineral sands sequences.
- A two week ground geophysics programme is now underway.
- First step in the 2014 Jangamo exploration programme to include ground and airborne magnetic and ground radiometric surveys, scout drilling and resource definition drilling.
- Detailed ground magnetic test lines are over five drill collars which returned broad zones of heavy mineral sands (HMS) to determine the magnitude of any associated ground magnetic response.
- Handheld spectrometer will also be used to run a number of test lines to better define any radiometric response associated with the HMS mineralisation.
- Ground magnetic anomalies will be upward continued to the flight height of the airborne surveys to determine how effective an airborne survey will be at mapping the targets.
- Drilling targeted to commence in late May 2014
- Overall objective to define a maiden JORC Mineral Resource and commence a scoping study in the second half of 2014

Savannah's CEO, David Archer said, "Our 2014 exploration programme is now underway with the ground geophysics team on site at Jangamo. The primary objective of the ground magnetics is to further define the two mineralised dune systems with strike lengths of at least 6km and 10km outlined from last year's scout drilling campaign. This will assist in defining target zones for drilling due to commence in late May".

"We're looking to more precisely define zones likely to have high heavy mineral contents. We're intent on executing a fast paced, results oriented exploration programme this year.

Our objective is to define a JORC Mineral Resource and start a scoping study of the Jangamo project in the second half of 2014”.

Further Information

Jangamo Project - Exploration Licence 3617L

The Jangamo Project is located in Southern Mozambique within a world class mineral sands province and is highly prospective for mineral sands including zircon, ilmenite and rutile. The Project covers an area of 180km² along an extensive dune system near the village of Jangamo, about 350km to the North East of the capital, Maputo.

The Jangamo Project lies immediately to the west of Rio Tinto’s (‘Rio’) Mutamba deposit, one of two major deposits Rio has defined in Mozambique¹, which collectively have an exploration target of 7-12Bn tonnes at 3-4.5% THM (published in 2008). Importantly, exploration work conducted at the Project to date indicates that the geology and geomorphology of Jangamo is similar to that of Rio’s adjacent Mutamba deposit.

The Project area features excellent infrastructure with both grid power and the main EN1 highway cutting through the middle of the Project. The nearby town of Inhambane is serviced daily by LAMAir flights out of Maputo and there is excellent logistics in place to support operations, including a small port. The licence is valid until 10 December 2017.

Mozambique Mineral Sands

Based on extensive heavy mineral sand deposits located along most of the 2,700km long coastline, Mozambique has the potential to grow as one of the world’s foremost producers of titanium and zirconium minerals. The country is currently the world’s fourth largest producer of titanium feedstocks and the fifth largest producer of zircon. Furthermore, in Mozambique, FTSE 250 listed Kenmare Resources Plc has developed the producing Moma Mine, which has a Proved and Probable Ore Reserve of 869Mt @ 3.7% THM and a Measured Indicated and Inferred Mineral Resource of 7.4Bt @ 2.9% THM. Other large deposits, which further underpin Mozambique’s prospectivity, includes the Chibuto heavy sands deposit, which averages 4% THM and has a reserve of 72 million tonnes of ilmenite, 2.6 million tonnes of zircon and 400,000 tonnes of rutile, and Rio Tinto’s Mutamba and Mutamago deposits, which combined have an exploration target of 7-12Bn tonnes at 3-4.5% THM.

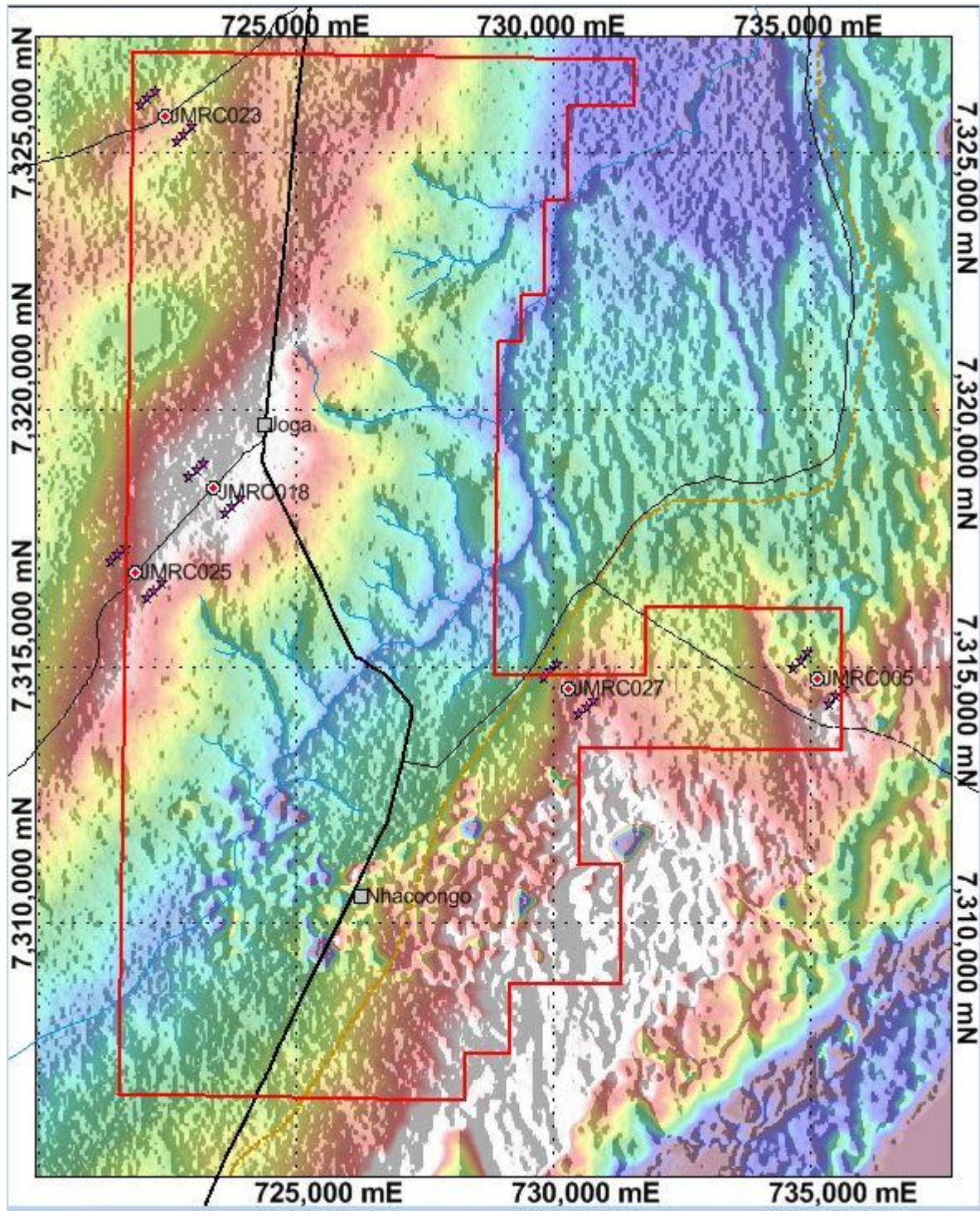
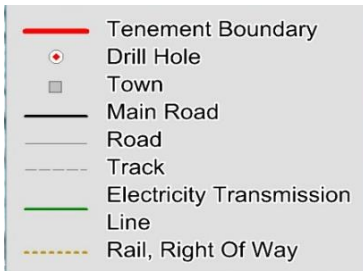


Figure 1. SRTM elevation data with tenement outline in red. Priority drill hole collars are shown, along with the start and end points for the planned ground magnetic test lines.



**Mozambique
Jangamo Project
Drillholes
on SRTM DTM**

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.

Notes

¹[http://www.riotinto.com/documents/ReportsPublications/Titanium mineral sands exploration target in Mozambique.pdf](http://www.riotinto.com/documents/ReportsPublications/Titanium_mineral_sands_exploration_target_in_Mozambique.pdf)

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

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About Savannah

Savannah Resources Plc (AIM: SAV) is a multi-commodity focused exploration and development company. Through its 80% ownership of Matilda Minerals Limitada it 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). In addition, Savannah owns an effective 20.9% 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. The Company is also evaluating additional opportunities to expand its portfolio and geographical focus.