



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

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Savannah Resources Plc
Resource Drilling Underway in Oman Targeting High-Grade and Disseminated Copper Mineralisation

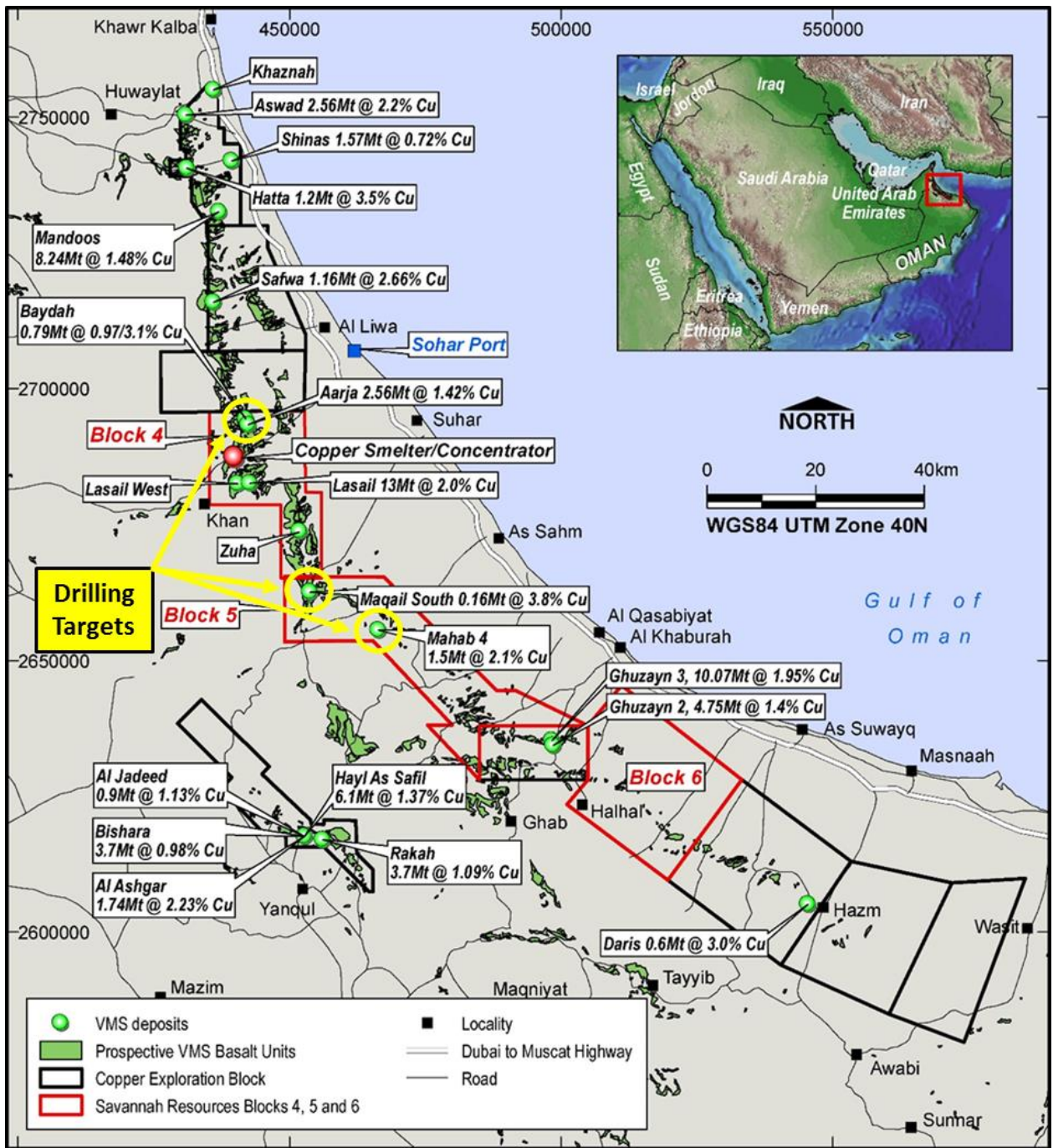
Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), the AIM quoted resource development company, announces that it has commenced the next round of drilling over its highly prospective Block 4 and 5 properties in the Sultanate of Oman, which are prospective for copper and gold. Savannah is earning a 65% shareholding in the Omani company, Al Thuraya LLC, the owner of the Block 4 Project and is a 65% shareholder in Al Fairuz Mining, the holder of the Block 5 licence.

HIGHLIGHTS:

- Two stage 2,930m diamond drill programme underway at the Maqail South and Mahab 4 prospects in Block 5 and the Dog's Bone and Bayda Prospects in Block 4
- Targeting to increase resource potential and upgrade current resource classification to establish Measured Resources at Maqail South and Mahab 4, which have a current Indicated and Inferred Mineral Resource of 1.7Mt at a grade of 2.2% copper
- Aiming to further define the resource potential at Dog's Bone (which is part of the Aarja target) and Bayda, which were part of previously producing copper mines – reviews of historic data have identified that a significant volume of disseminated sulphide mineralisation remains at Bayda whilst high-grade mineralisation including 9m at a grade of 4.86% copper has been identified at Dog's Bone
- Drilling will also assist the completion of initial geotechnical and metallurgical test work at both Block 4 and 5, which will feed into feasibility studies and ultimately Ore Reserves as the Company continues to target production in late-2017

David Archer, Savannah's Chief Executive Officer said today "This drill campaign represents another significant step forward in advancing our copper/gold portfolio in Oman. With a current Indicated and Inferred Mineral Resource of 1.7Mt at a grade of 2.2% copper already established, this drill programme will help build upon the aggregate Mineral Resources of both high-grade and disseminated sulphide copper mineralisation whilst also improving the resource confidence by upgrading the current resource classification from 'Indicated and Inferred' to 'Measured'. With multiple high-grade targets identified the drilling is directed at accelerating our efforts to be in production in late-2017, utilising a hub and spoke mine development model to support low capex operations, whereby one central plant will process material from multiple mines."

Figure 1. Location Map showing Position of Proposed Drilling



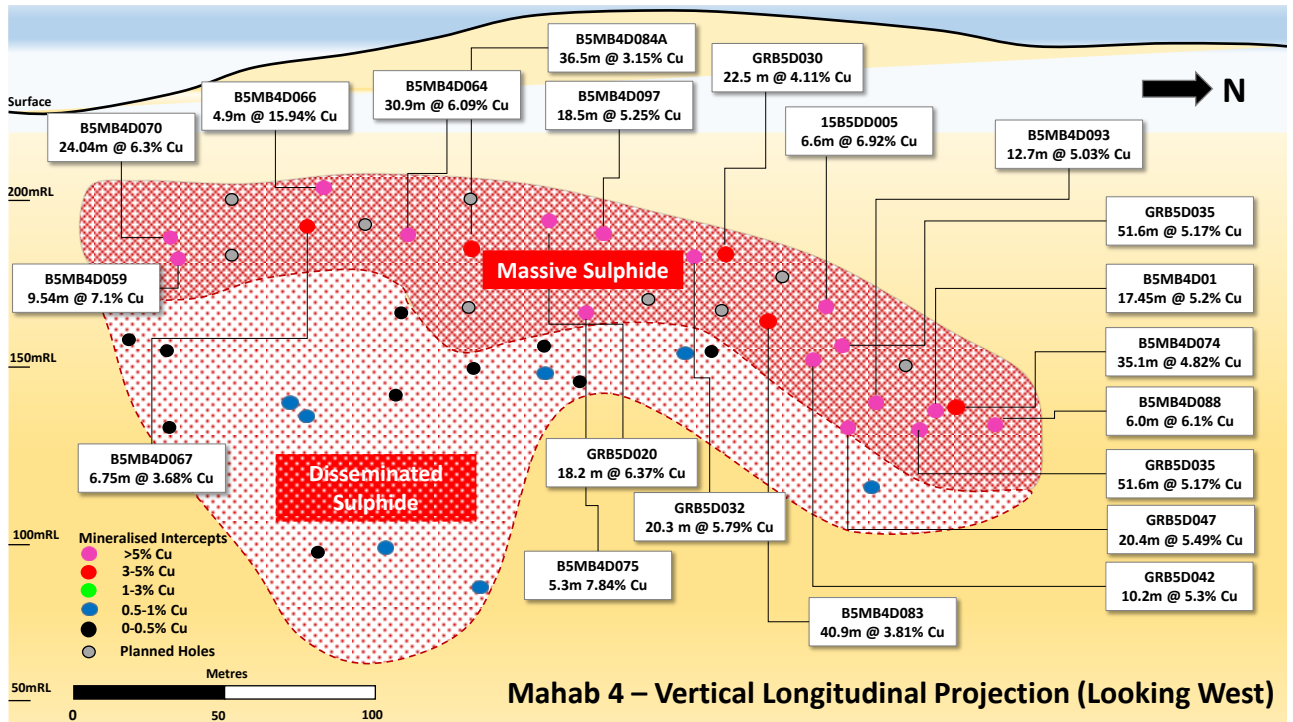
PLANNED DRILLING PROGRAMME

Mahab 4

Mahab 4 has a current Indicated and Inferred Mineral Resource of 1.53Mt at a grade of 2.1% copper ('Cu'). Nine diamond core holes have been proposed for approximately 900m targeting infill drilling in areas of limited data within the high grade sulphide zone. This drilling will be completed in two parts. Part A will be 450m and will target the areas for the collection of metallurgical samples and resource definition. Part B will include an additional 450m targeting further upgrades and expansions of the resource, based on the results of the Part A drilling.

All of these holes are currently planned to target the massive sulphide portion of the resource (Figure 2).

Figure 2. Mahab 4 – Vertical Longitudinal Projection (Looking West)



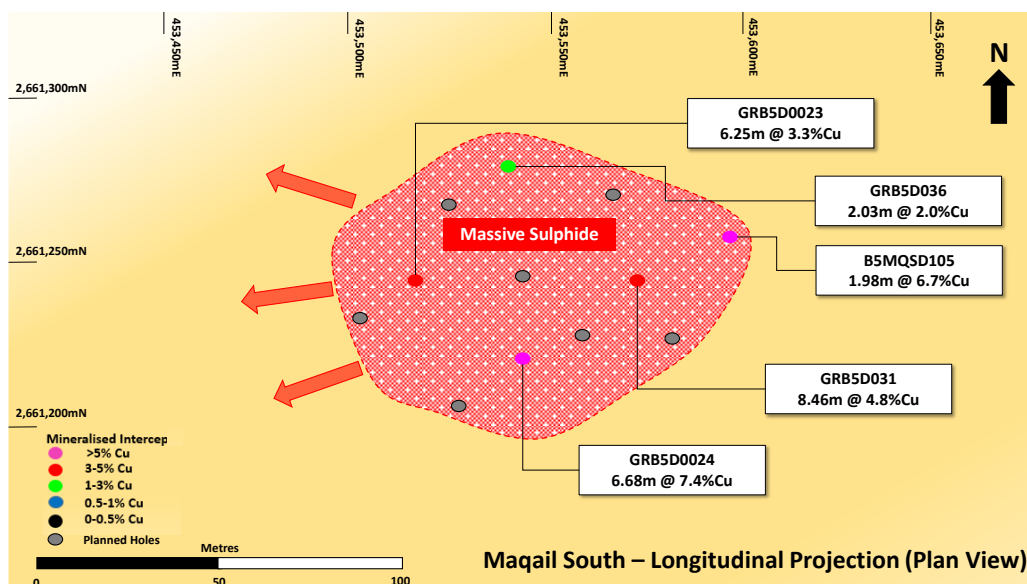
Mahab 4 – Vertical Longitudinal Projection (Looking West)

Maqail South

Maqail South has an Inferred Mineral Resource of 0.16Mt at a grade of 3.8% Cu, which was been defined by five holes completed by Gentor Resources.

To allow this mineralisation to be used in a Reserve estimate, its classification has to be improved to a minimum of Indicated Classification through closer spaced drill holes. Seven diamond holes for 550m are proposed (Figure 3) to infill the resource to a hole spacing of 25m centres which will allow for an Indicated Resource Classification and to continue exploration to the west where the resource remains open.

Figure 3. Maqail South – Longitudinal Project (Plan View)

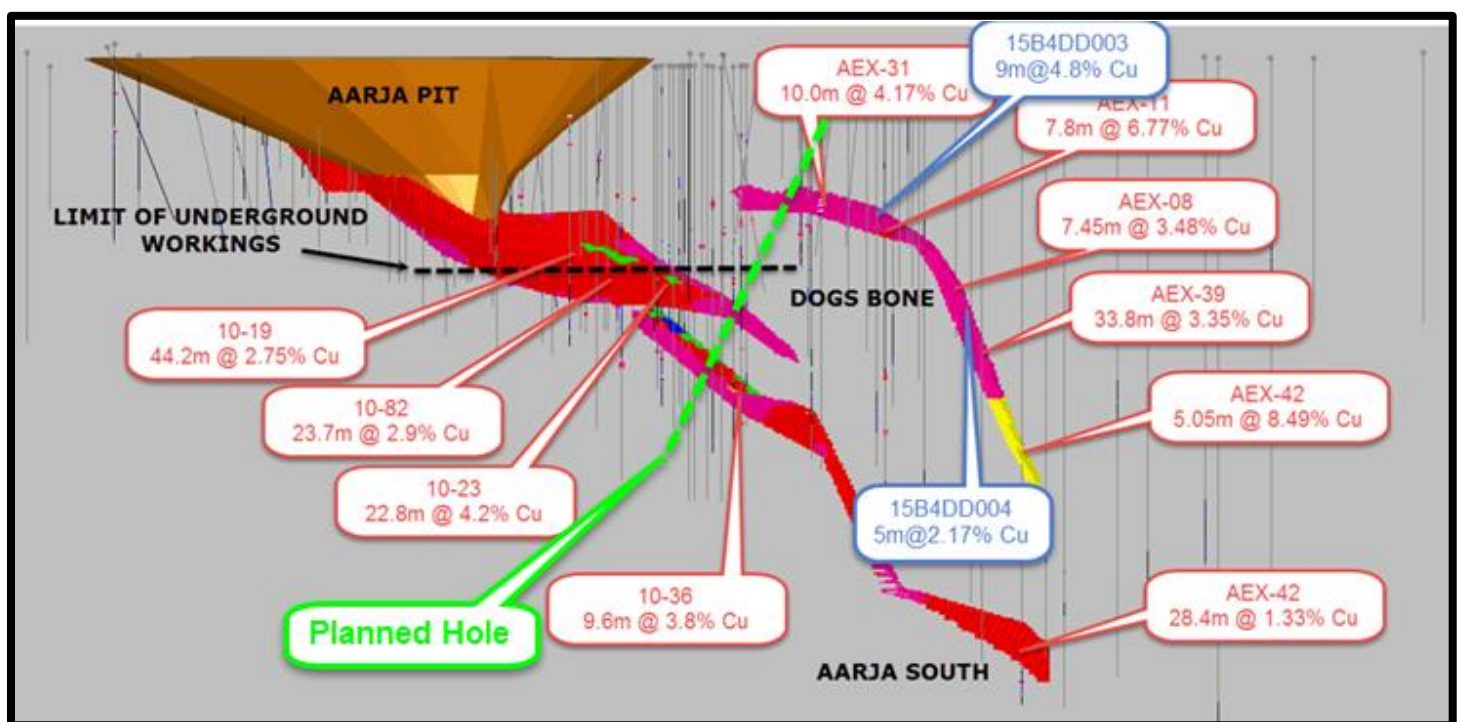


Maqail South – Longitudinal Projection (Plan View)

Dog's Bone is a lens of high-grade massive sulphide that is situated above the mineralisation that was mined at the historic Aarja Mine between 1988 and 1994 by OMCO producing about 2.6Mt at a grade of 1.4% Cu. This lens of mineralisation was tested by Savannah with four Reverse Circulation (RC) holes in 2015. Two of these holes intersected high grade mineralisation: 15B4RC003 9m at a grade of 4.86% Cu and 15B4DD004 5m at a grade of 2.17% Cu (Figure 4). There are some uncertainties identified with the historical drilling that require further drilling to be completed to confirm the location and continuity of the mineralisation.

One 300m hole is proposed to test the Dog's Bone lens which will also be extended to test the deeper Aarja Mineralisation (**Figure 4**). This hole will help confirm the location and continuity of known mineralisation and give confidence for the use of the historical data in a resource estimate.

Figure 4: Schematic Cross Section View of Dogs Bone showing planned hole



Bayda

Bayda is a historic mining area that was mined by OMCO between 1980 and 1994 producing 1Mt at a grade of 3% Cu from a small underground operation.

The historic mining at Bayda focused on the high-grade massive sulphide mineralisation ignoring the lower-grade disseminated sulphide mineralisation. Reviews of the historic data have identified that a significant volume of disseminated sulphide mineralisation remains at Bayda. Savannah's confidence in the precision and accuracy of the OMCO data defining this mineralisation is uncertain and additional data collection is required to validate the location and grades reported by OMCO.

It is proposed to test this area of mineralisation with selected diamond drilling to test the presence of the mineralisation and the continuity of mineralised zones of greater than 1% Cu which are at the southern end of the mineralised area.

A typical cross-section of the mineralisation at Bayda is shown in **Figure 5**.

Figure 5: Cross Section View of Bayda showing planned holes

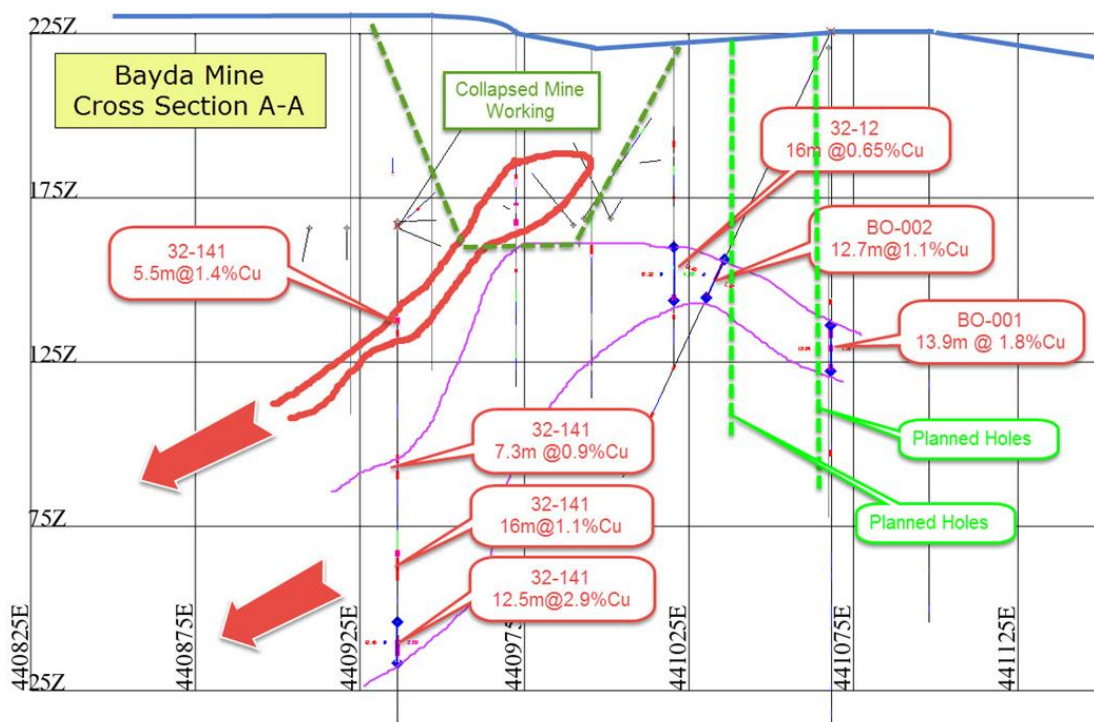


Table 1. Summary of Proposed Drill Holes

DataSet	Hole_ID	Hole Type	Max Depth	NAT Grid_ID	NAT East	NAT North	NAT RL	Dip	Azi	Prospect
Block_4	16B4RC001	DD	150	WGS84_40N	441040	2694175	226	-74	270	Bayda
Block_4	16B4RC002	DD	150	WGS84_40N	441039	2694200	228	-72	270	Bayda
Block_4	16B4RC015	DD	300	WGS84_40N	440413	2692570	230	-70	333	Dogs Bone
Block_5	16B5DD001	DD	85	WGS84_40N	453578	2661240	403	-54	314	Maqail South
Block_5	16B5DD002	DD	70	WGS84_40N	453578	2661240	403	-55	325	Maqail South
Block_5	16B5DD003	DD	75	WGS84_40N	453578	2661240	403	-80	135	Maqail South
Block_5	16B5DD004	DD	65	WGS84_40N	453520	2661278	390	-75	180	Maqail South
Block_5	16B5DD005	DD	80	WGS84_40N	453553	2661210	407	-72	23	Maqail South
Block_5	16B5DD006	DD	90	WGS84_40N	453553	2661210	407	-71	259	Maqail South
Block_5	16B5DD007	DD	90	WGS84_40N	453530	2661230	412	-70	261	Maqail South
Block_5	16B5DD008	DD	75	WGS84_40N	468780	2656073	229	-52	256	Mahab 4
Block_5	16B5DD009	DD	125	WGS84_40N	468782	2656074	229	-60	256	Mahab 4
Block_5	16B5DD010	DD	75	WGS84_40N	468775	2656121	228	-53	256	Mahab 4
Block_5	16B5DD011	DD	85	WGS84_40N	468768	2656160	225	-55	256	Mahab 4
Block_5	16B5DD012	DD	110	WGS84_40N	468764	2656198	232	-59	256	Mahab 4
Block_5	16B5DD013	DD	110	WGS84_40N	468758	2656222	232	-68	256	Mahab 4
Block_5	16B5DD014	DD	75	WGS84_40N	468762	2656263	223	-52	256	Mahab 4
Block_5	16B5DD015	DD	125	WGS84_40N	468771	2656265	221	-62	256	Mahab 4
Block_5	16B5DD017	DD	145	WGS84_40N	468763	2656306	220	-62	256	Mahab 4

Note: Holes shaded in yellow will be completed as part of Phase 1

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.

****ENDS****

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Notes

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

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).

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.