



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

2 July 2014

## **Savannah Resources Plc Scout Drilling Programme Completed - Jangamo Project**

Savannah Resources plc (AIM: SAV) announces that it has completed a scout drilling programme at its highly prospective, 180km<sup>2</sup> Jangamo heavy mineral sands ('HMS') project ('Jangamo' or 'the Project'), located in a world-class mineral sands province in southern Mozambique.

### **Highlights:**

- **The 2014 scout drilling programme is now complete**, targeting eastern and western dune systems with 96 drill holes for a total of 3,990m drilled
- Visual estimations of HMS in the drill spoils suggest that the **drilling to date has defined six major anomalous zones within the project area**
- **Drill samples sent for analysis with results due in coming weeks**
- Further analysis based on the recently acquired **airborne magnetic data suggests in excess of 20 significant, multi-kilometre long strandlines could be present** within the highly prospective eastern and western dune systems
- Final airmagnetic results are due for delivery during July 2014
- **Grid drillout due to commence in August** to help define a potential JORC compliant Mineral Resource by year end
- **World class province** - Jangamo is adjacent to Rio Tinto's major Mutamba<sup>1</sup> mineral sands deposit which, along with another licence area in Mozambique, has an exploration target of 7-12 billion tonnes at 3-4.5% THM

Savannah's CEO, David Archer said, "With our second scout drilling programme at Jangamo now complete we are pleased to report that these fast-paced and well executed exploration programmes mean we remain on target to define a potential maiden, JORC compliant Mineral Resource by the end of 2014. The lead up to this will be a close spaced grid drilling programme scheduled to start in August.

"Importantly, based on visual estimations of the drill spoils, the second round of drilling has been successful in outlining areas of high concentrations of heavy minerals with six major anomalous zones delineated within the Project area.

"In addition, further analysis of the airborne magnetic data has highlighted in excess of 20 significant magnetic features, many of which remain untested, which could indicate the presence of potential strandlines. These represent excellent opportunities for us to discover high grade heavy mineral sands within the Project area.

"It is important to note that the visual estimates need to be confirmed by assaying which is currently underway with results from all samples submitted to the lab due to be returned in coming weeks."

## Scout Drilling Programme

The 2014 scout drilling programme has now been completed and included 96 holes for a total of 3990m, which primarily targeted the eastern and western dune systems (Figure 1-2, Appendix 1). Drilling was carried out using a truck mounted Reverse Circulation ('RC') drill rig, fitted with a rotary bit to take an Air Core ('AC') sample. Drilling density was approximately 500m to 1km between each drill hole in the southeast, and 1km to 1.5km in the northwest. The primary focus of the drilling was to locate high grade mineralisation close to the surface.

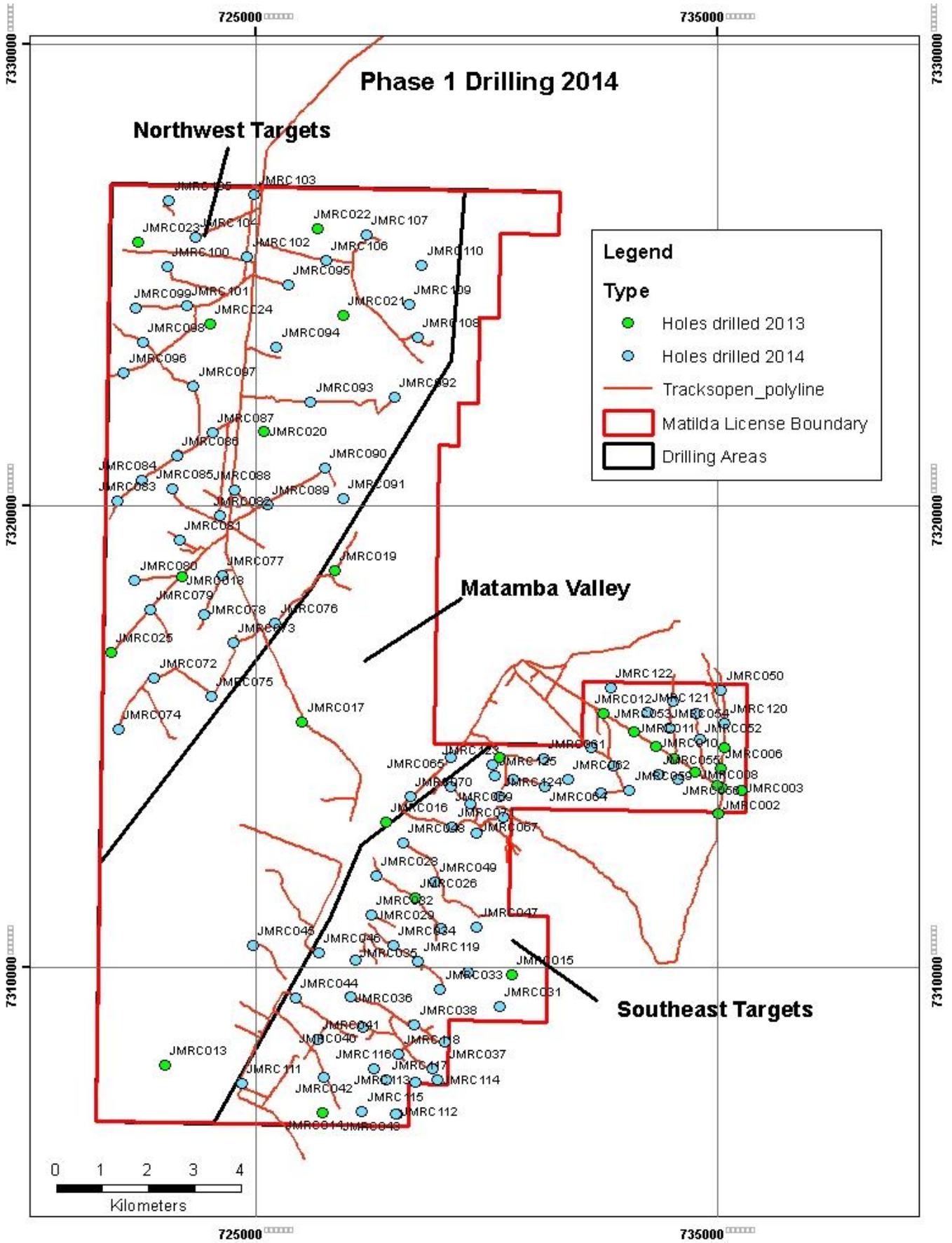
Sampling was done at 3m intervals; the length of one drill rod and a representative sample of the complete run was taken. The rig was fitted with a cyclone/cone splitter, where two bags of sample were taken, one to send to the lab if warranted, the other as a reference sample and the rest was rejected. During the drilling a visual cut off of 3% THM estimated in the pan was used to determine which holes to send to the lab for analysis

The drilling carried out has been successful in outlining areas of high concentrations of heavy minerals. Based on visual estimations (see Figure 3), six major anomalous zones have been delineated by drilling to date within the Project area.

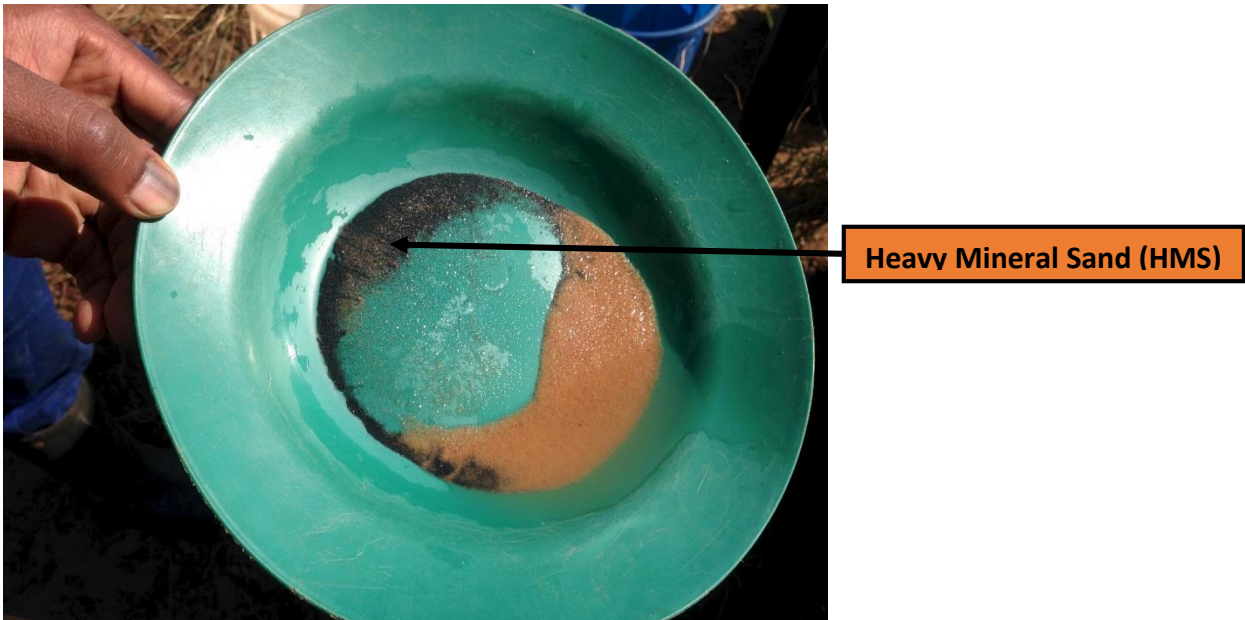
The first batch of samples has now arrived at the lab with the remaining samples expected in the short term. Results from all the assaying are expected in coming weeks.



**Figure 1.** 2014 Scout drilling programme at the Jangamo Project



**Figure 2.** Drill hole location plan showing 2013 and 2014 scout drilling programmes (AMG zone 36)



**Figure 3.** Panned mineral sands from one interval from scout drilling at the Jangamo Project

### **Airborne Magnetic Survey**

Work is continuing to finalise the processing and interpretation of the airborne magnetic data completed during June 2014 which covered the entire Jangamo Project area. Initial interpretations based on the magnetic data suggest the potential for in excess of 20 strandlines of various lengths within the tenement. Final results will be released when they come to hand.

### **Next Steps**

The next steps for the Project are:

- Finalisation of airborne magnetics processing and interpretation
- Completion drill sample assaying
- Detailed grid drilling and assaying
- Potential delineation of a JORC compliant Mineral Resource

Savannah is currently on track to deliver all these outcomes during the 2014 exploration programme.

### **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 180km<sup>2</sup> along an extensive dune system near the village of Jangamo, about 350km to the North East of the capital, Maputo.

Jangamo lies immediately to the west of Rio Tinto's ('Rio') Mutamba deposit, one of two major deposits Rio has defined in Mozambique<sup>1</sup>, 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 Jangamo. 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.

### **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**

<sup>1</sup>[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)

**\*\*ENDS\*\***

For further information please visit [www.savannahresources.com](http://www.savannahresources.com) or contact:

David Archer	Savannah Resources plc	Tel: +44 20 7389 5019
James Maxwell/Jen Boorer	N+1 Singer	Tel: +44 20 7496 3000
Felicity Edwards/Charlotte Heap	St Brides Media & Finance Ltd	Tel: +44 20 7236 1177

### **Notes**

## About Savannah

Savannah Resources Plc (AIM: SAV) is a growth oriented, multi-commodity focussed 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% THM1 (published in 2008).

Savannah also has the right to acquire 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 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.

## APPENDIX 1. Drilling Collar Table

HOLE ID	HOLE DEPTH	EASTING	NORTHING	DATE
JMRC028	30	727615	7311981	22-May-14
JMRC029	51	729014	7310843	22-May-14
JMRC030	60	729584	7309905	22-May-14
JMRC031	57	730281	7309144	22-May-14
JMRC032	30	727496	7311151	23-May-14
JMRC033	66	728998	7309527	23-May-14
JMRC034	30	727981	7310477	23-May-14
JMRC035	45	727162	7310165	23-May-14
JMRC036	42	727054	7309362	24-May-14
JMRC037	66	729091	7308395	24-May-14
JMRC038	63	728443	7308771	25-May-14
JMRC039	66	728837	7307811	25-May-14
JMRC040	30	727312	7308696	25-May-14
JMRC041	42	726327	7308454	26-May-14
JMRC042	33	726479	7307633	26-May-14
JMRC043	6	728047	7306836	26-May-14
JMRC044	30	725858	7309345	27-May-14
JMRC045	27	724935	7310488	27-May-14
JMRC046	39	726359	7310323	27-May-14

JMRC047	75	729779	7310889	27-May-14
JMRC048	30	728184	7312702	28-May-14
JMRC049	54	728872	7311869	28-May-14
JMRC050	45	735086	7316008	28-May-14
JMRC051	72	734541	7315505	29-May-14
JMRC052	33	734629	7314953	29-May-14
JMRC053	33	734033	7315763	29-May-14
JMRC054	30	733959	7315189	29-May-14
JMRC055	42	733731	7314195	30-May-14
JMRC056	36	734144	7314073	30-May-14
JMRC057	48	732738	7314382	30-May-14
JMRC058	39	732484	7313782	30-May-14
JMRC059	36	733099	7313838	30-May-14
JMRC060	30	732257	7314764	31-May-14
JMRC061	30	731229	7314533	31-May-14
JMRC062	42	731755	7314067	31-May-14
JMRC063	30	730578	7314071	2-Jun-14
JMRC064	42	731266	7313927	2-Jun-14
JMRC065	30	729224	7314564	2-Jun-14
JMRC066	36	730360	7313256	2-Jun-14
JMRC067	48	729770	7312916	2-Jun-14
JMRC068	33	729643	7313541	3-Jun-14
JMRC069	30	729219	7313914	3-Jun-14
JMRC070	30	728356	7313708	3-Jun-14
JMRC071	33	729262	7313040	3-Jun-14
JMRC072	33	722804	7316268	3-Jun-14
JMRC073	54	724506	7317035	3-Jun-14
JMRC074	48	722018	7315167	7-Jun-14
JMRC075	45	724032	7315885	7-Jun-14
JMRC076	30	725424	7317478	7-Jun-14
JMRC077	30	724265	7318501	7-Jun-14
JMRC078	30	723869	7317648	7-Jun-14
JMRC079	36	722721	7317753	7-Jun-14
JMRC080	39	722381	7318386	8-Jun-14
JMRC081	60	723342	7319270	8-Jun-14
JMRC082	48	724210	7319807	8-Jun-14
JMRC083	45	721989	7320110	8-Jun-14
JMRC084	30	722518	7320565	9-Jun-14
JMRC085	63	723184	7320370	9-Jun-14
JMRC086	36	723287	7321084	9-Jun-14
JMRC087	39	724068	7321608	9-Jun-14
JMRC088	45	724536	7320349	9-Jun-14
JMRC089	51	725243	7320047	10-Jun-14
JMRC090	54	726494	7320816	10-Jun-14

JMRC091	30	726899	7320165	10-Jun-14
JMRC092	30	728011	7322376	10-Jun-14
JMRC093	30	726189	7322255	10-Jun-14
JMRC094	48	725452	7323460	11-Jun-14
JMRC095	36	725701	7324794	11-Jun-14
JMRC096	42	722144	7322901	11-Jun-14
JMRC097	27	723649	7322592	11-Jun-14
JMRC098	39	722549	7323562	12-Jun-14
JMRC099	30	722395	7324305	12-Jun-14
JMRC100	30	723079	7325190	12-Jun-14
JMRC101	30	723507	7324351	12-Jun-14
JMRC102	48	724813	7325400	12-Jun-14
JMRC103	36	724963	7326747	12-Jun-14
JMRC104	33	723699	7325836	13-Jun-14
JMRC105	36	723121	7326619	13-Jun-14
JMRC106	30	726518	7325322	13-Jun-14
JMRC107	39	727397	7325892	13-Jun-14
JMRC108	33	728500	7323660	14-Jun-14
JMRC109	30	728325	7324365	15-Jun-14
JMRC110	36	728600	7325216	15-Jun-14
JMRC111	33	724699	7307477	15-Jun-14
JMRC112	75	728045	7306830	15-Jun-14
JMRC113	81	728469	7307520	16-Jun-14
JMRC114	60	728925	7307556	17-Jun-14
JMRC115	36	727290	7306872	18-Jun-14
JMRC116	30	727548	7307816	18-Jun-14
JMRC117	24	727834	7307564	18-Jun-14
JMRC118	30	728078	7308131	19-Jun-14
JMRC119	54	728512	7310148	19-Jun-14
JMRC120	42	735163	7315304	19-Jun-14
JMRC121	51	733492	7315547	20-Jun-14
JMRC122	30	732689	7316057	20-Jun-14
JMRC123	60	730124	7314410	20-Jun-14
JMRC124	30	730272	7313714	20-Jun-14
JMRC125	45	730175	7314151	21-Jun-14

AMG Zone 36