6 September 2018

Savannah Resources Plc

Further Lithium Mineralisation Intersected at Grandao Indicates Additional Potential for Resource Expansions and Upgrades, Mina do Barroso Lithium Project, Portugal

HIGHLIGHTS:

- **Ongoing Reverse Circulation ('RC') and diamond drilling at Grandao intersects further higher-grade lithium mineralisation over significant widths, with the widest intersection recorded so far at Mina do Barroso**
- **Key results at Grandao include:**
  - **30m at 1.33% Li_2O from 45m in 18GRARC106**
  - **99m at 1.46% Li_2O from 20m and 18.9m at 1.02% from 122m in 18GRARC108**
  - **35.9m at 1.24% Li_2O from 51m in 18GRARC109**
  - **33m at 1.28% Li_2O from 50m in 18GRARC110**
  - **23m at 1.4% Li_2O from 99m in 18GRARC111**
  - **23m at 1.14% Li_2O from 57m in 18GRARC115**
- Drilling to date at Grandao and Grandao Extended has now defined a virtually continuous zone of shallowly westerly dipping pegmatite from surface to a vertical depth of over 150m and covering a zone of approximately 650m long and up to 550m wide, confirming the excellent potential of the zone
- Drill results to support a fourth Mineral Resource Estimation due to be reported shortly
- Opportunity for significant further upside as:
  - Drilling remains ongoing at primary Grandao and Reservatorio targets
  - First pass drilling has been completed at a new prospective target area, Carvalha da Bacora, with positive initial results including:
    - **7m at 1.48% Li_2O from 62m in 18CDBRC003**
    - **5m at 1.5% Li_2O from 50m in 18CDBRC005**
  - First comprehensive drill testing of a high priority exploration target at Pinheiro target area due to commence shortly
- Phase 3 of the metallurgical test work programme is ongoing and scheduled to be completed in Q4 2018
- Feasibility Study is well underway with initial focus on option and project optimisation work to finalise the process flowsheet and maximise project returns

Savannah Resources plc (AIM: SAV, FWB: AFM and SWB: SAV) ('Savannah' or the 'Company'), the resource development company, is pleased to announce further results from the ongoing reverse circulation ('RC') and diamond core ('Diamond') drill programme at the Mina do Barroso Lithium Project ('the Project') located in northern Portugal. **(Figure 1).**

Savannah's CEO, David Archer said: "We continue to see outstanding results from the drilling of Grandao. These results, together with the recent drill results announced on 26 July are being incorporated into our fourth and latest Mineral Resource study, which we hope to be in a position to announce shortly. We believe this study will continue to underpin the significant value potential of our flagship Mina do Barroso lithium project as we continue to advance towards making a development decision next year.

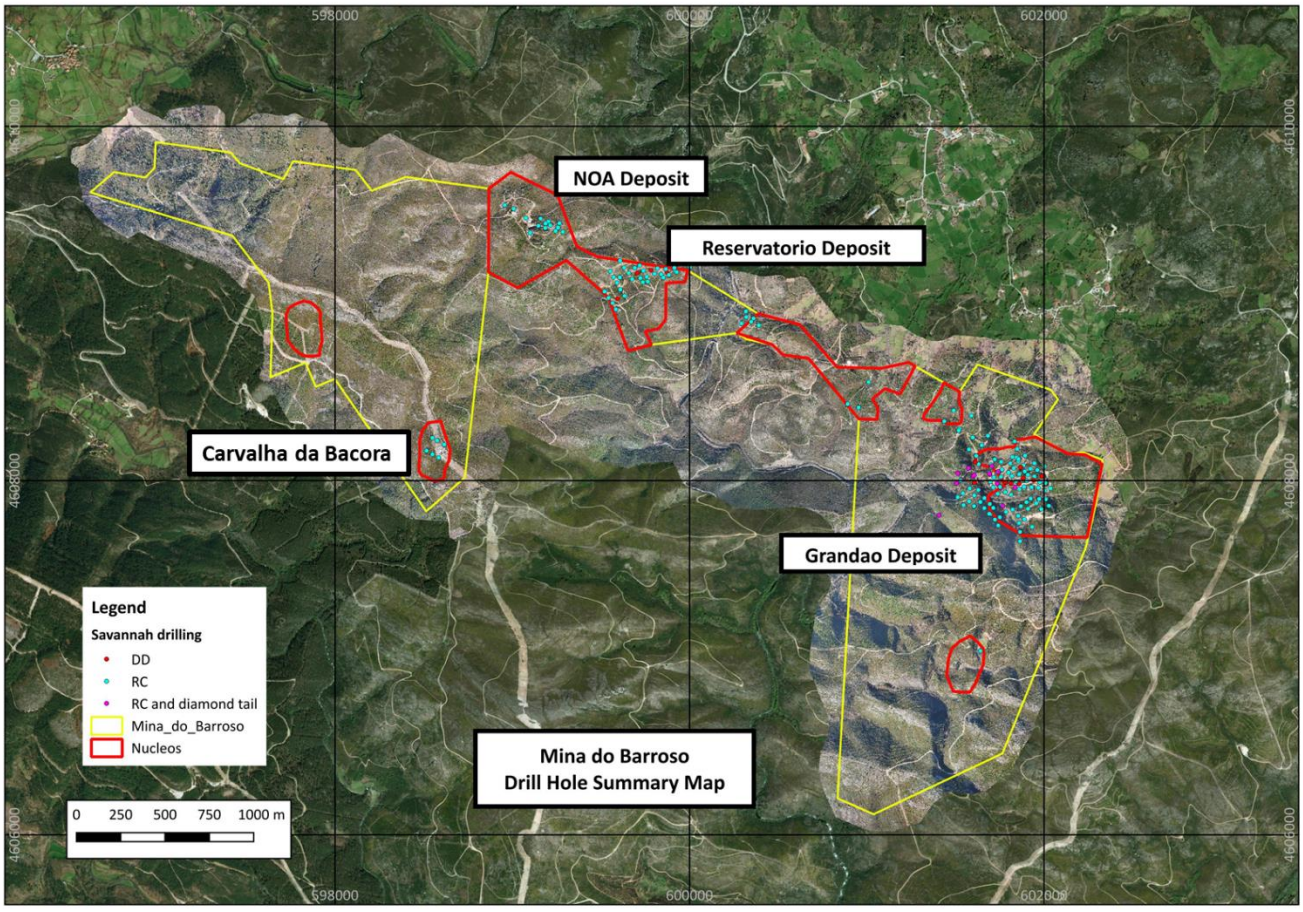
"With additional highly prospective targets now also beginning to be tested and positive progress being made as we continue to advance development aspects of the Project, Mina do Barroso continues to deliver, underscoring its increasing strategic significance to the European lithium value chain as Western Europe's largest spodumene lithium deposit."

Further Information

A total of 220 holes for 18,584m have been drilled to date at Mina do Barroso as part of the ongoing RC and diamond drill programme primarily focused on the Grandao, Reservatorio and NOA prospects.

The current round of RC drilling at Grandao and Reservatorio is nearing completion, but further drilling will continue to be undertaken with diamond drilling ongoing at Grandao and geotechnical drilling now well advanced at both Reservatorio and Grandao.

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



Grandao Deposit

A total of 148 RC and diamond drill holes for 12,909.55m have been completed and results for drill holes 18GRARC107 to 116 and 18GRADD007 have now been received and returned further encouraging results **(Tables 1 and Figure 2-3).**

Drilling targeting the down dip extensions to the west and northwest of the main Grandao Deposit has returned further encouraging zones of lithium mineralisation. Results from 18GRARC108 although partly down dip, has returned the widest zone (120m) of virtually continuous lithium mineralisation recorded at the Project to date. Mineralisation remains open along strike and down dip in a west and south-west direction and further drilling is underway to continue expanding the known mineralisation.

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

Hole ID	Prospect	Northing	Easting	rL	Azimuth (Deg)	Dip (Deg)	EOH (m)	From (m)	To (m)	Down hole Interval (m)	Grade % Li2O
18GRARC76*	Grandao	601575	4608071	512	0	-90	176.3	96.85	122	25.15	1.38
18GRARC107	Grandao	601857	4608122	547	270	-65	100	No Significant Assays			
18GRARC108*	Grandao	601706	4608082	523	270	-60	93	20	119	99	1.46
								122	140.9	18.9	1.02
18GRARC109*	Grandao	601607	4608031	504	90	-60	68	51	86.9	35.9	1.24
18GRARC110	Grandao	601630	4607948	521	90	-65	99	50	83	33	1.28
18GRARC111	Grandao	601608	4607856	550	90	-75	150	99	122	23	1.4
18GRARC112	Grandao	601606	4607856	550	270	-75	150	118	129	11	1.25
18GRARC113	Grandao	601530	4608002	505	80	-65	48	No Significant Assays			
18GRARC114	Grandao	601619	4608140	525	60	-60	70	39	46	7	1.58
18GRARC115	Grandao	601632	4608094	509	90	-60	93	27	31	4	0.89
								57	80	23	1.14
18GRARC116	Grandao	601649	4608200	537	113	-60	109	80	87	7	1.2
18GRADD07	Grandao	601613	4608105	514	0	-90	115.2	56.05	59	2.95	1.17

*RC hole with diamond core tail

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

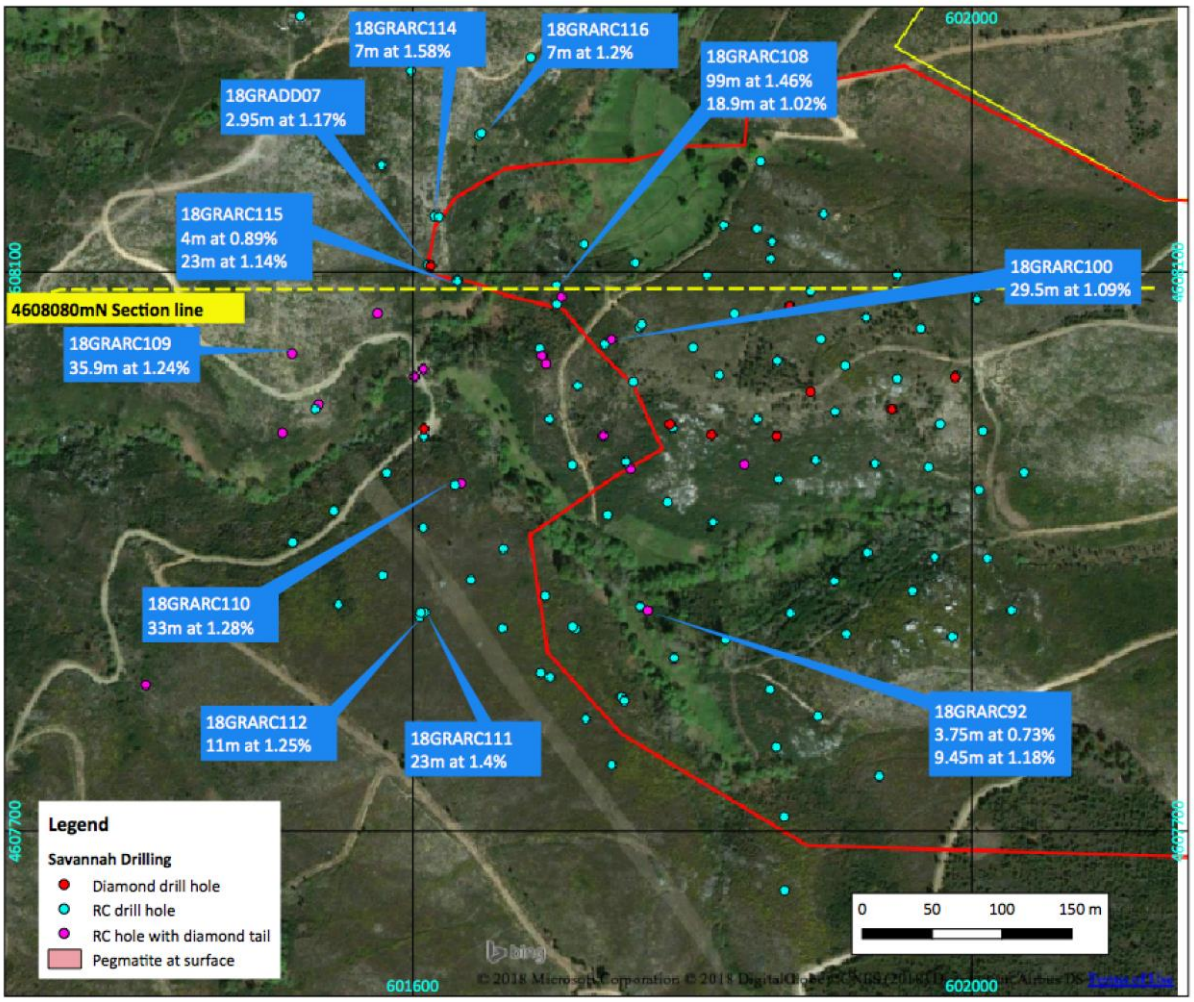
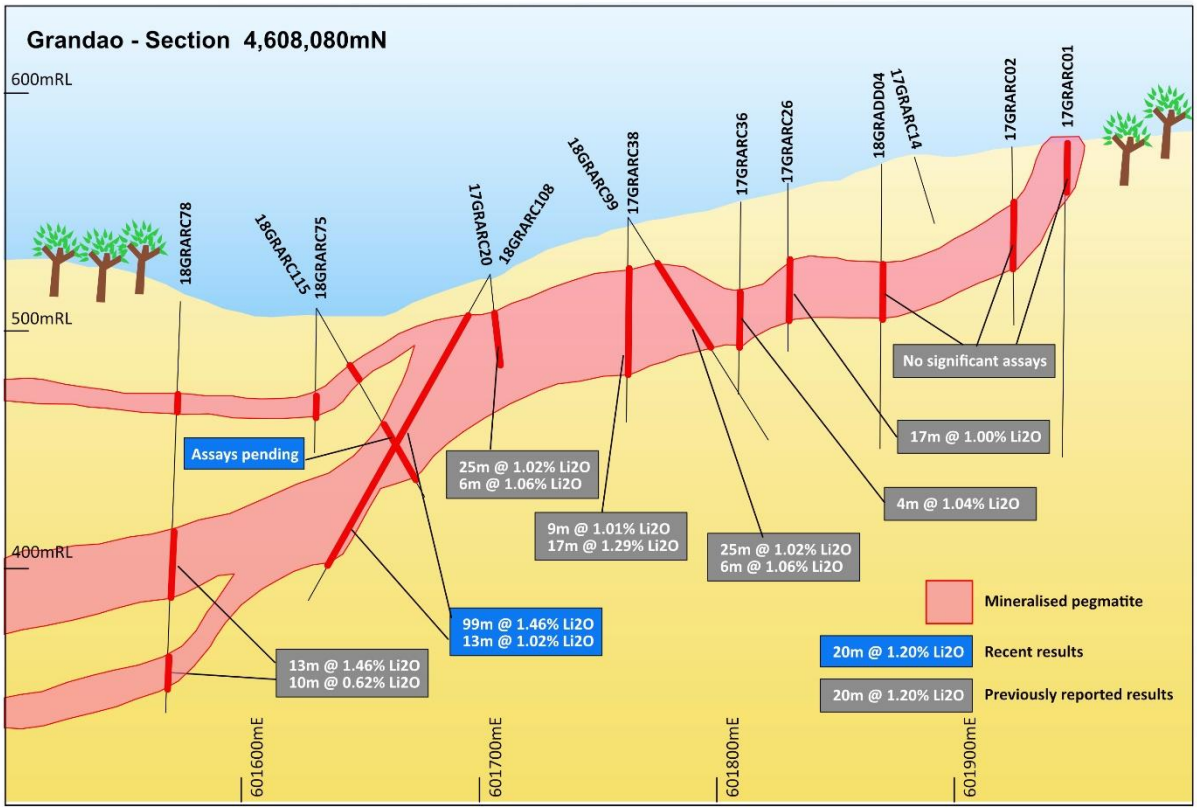


Figure 3. Grandao Cross Section (see Figure 2 for location of cross section)



Carvalha da Bacora

A total of six RC and diamond drill holes for 524m have been completed and results for drill holes 18CDBRC001 to 006 have now been received and returned encouraging first pass results **(Tables 2 and Figure 4).**

The drilling at Carvalha da Bacora targeted outcropping pegmatites with known lithium mineralisation from historical drilling. The RC drill programme was designed to test the depth extent and continuity of the mineralised pegmatite. The results show that on the north eastern line of drilling that the pegmatite splits at depth and becomes more shallow dipping with lithium mineralisation at depth. The pegmatite intersections on the south western line of drilling were also mineralised but with smaller widths.

There is excellent potential for the pegmatite to continue to the northeast and further drilling will target this zone at a later date.

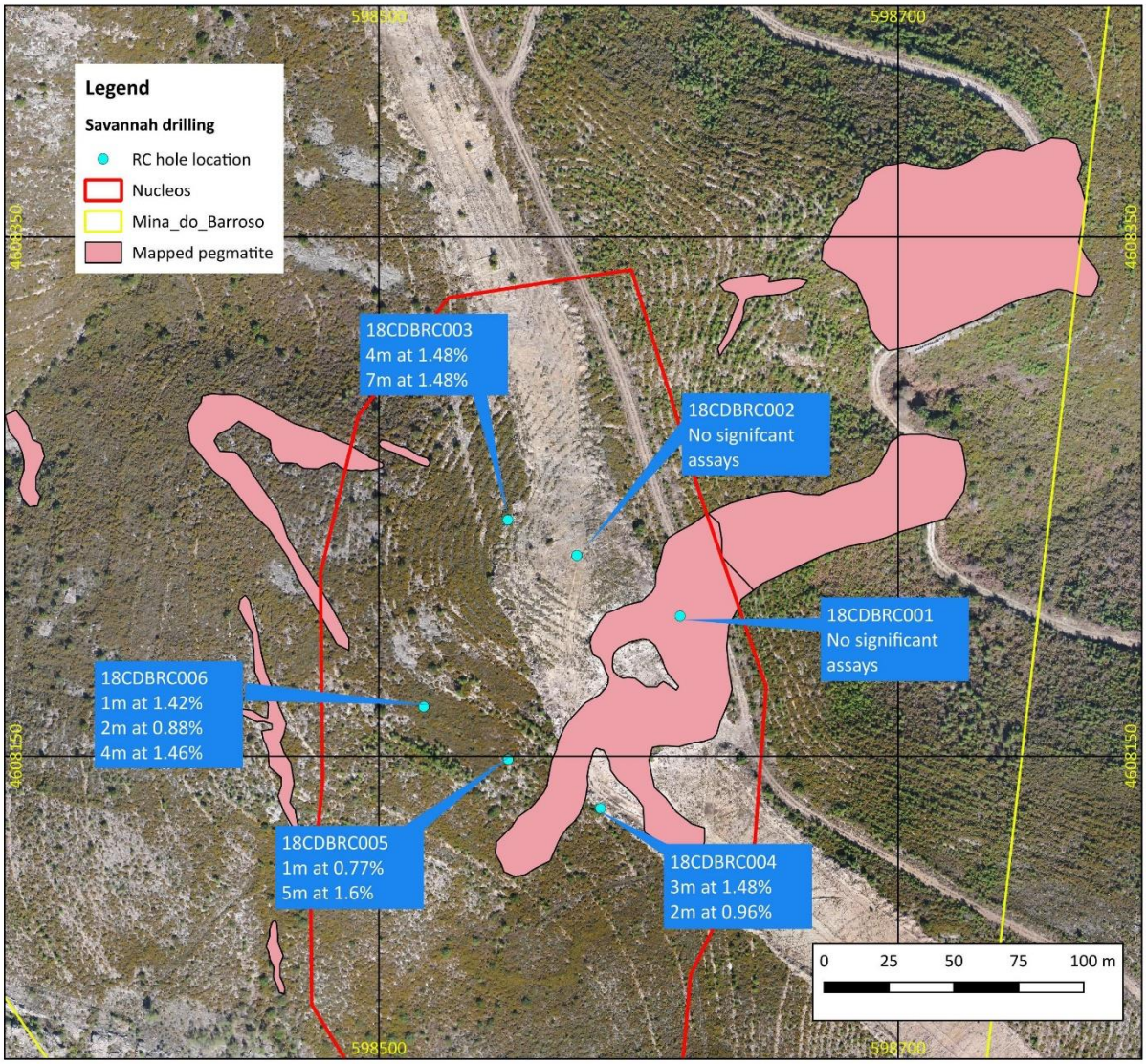
Table 2. Summary of drill results for Carvalha da Bacora using a 0.5% Li_2O cut-off

Hole ID	Prospect	Northing	Easting	rL	Azimuth (Deg)	Dip (Deg)	EOH (m)	From (m)	To (m)	Down hole Interval (m)	Grade % Li2O
18CDBRC001	Carvalha da Bacora	598615	4608203	792	120	-60	60	No Significant Assays			
18CDBRC002	Carvalha da Bacora	598577	4608227	750	120	-60	90	No Significant Assays			
18CDBRC003	Carvalha da Bacora	598621	4608306	747	120	-60	105	31	35	4	1.48
								62	69	7	1.48
18CDBRC004	Carvalha da Bacora	598588	4608133	774	120	-60	66	13	16	3	1.48

								40	42	2	0.96
18CDBRC005	Carvalha da Bacora	598551	4608152	778	120	-59	110	46	47	1	0.77
								50	55	5	1.6
18CDBRC006	Carvalha da Bacora	598516	4608173	762	120	-60	93	41	42	1	1.42
								57	59	2	0.88
								73	77	4	1.46

*RC hole with diamond core tail

Figure 4. Summary of drilling at Carvalha da Bacora showing significant assay results (pink areas are surface outcrop of pegmatite)



Competent Person and Regulatory Information

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.

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

****ENDS****

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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 our staff and the communities we work with.

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: AFM, 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 detailed information.*	• The lithium mineralization 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
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
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 homogenized and assessed for lithology, colour, grainsize, structure and mineralization. • 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

Criteria	JORC Code explanation	Commentary
	• *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 laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• Samples were received, sorted, labelled and dried • Samples were crushed to 70% less than 2mm, riffle split off 250g, 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.

Criteria	JORC Code explanation	Commentary
	• *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 • 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,*	• Savannah's experienced project geologists supervise all processes.

Criteria	JORC Code explanation	Commentary
	data verification, data storage (physical and electronic) protocols.	• 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 and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The coordinate of each drill hole was taken at the time of collecting using a handheld GPS with an accuracy of 5m. • 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.

Criteria	JORC Code explanation	Commentary
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 mineralization 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*
		• 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
	○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *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 include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams and maps have been included in the main body of the release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of*	• All relevant results available have been reported.

Criteria	JORC Code explanation	Commentary
	both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
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