



Savannah Resources Plc

PROJECT PORTFOLIO

MINERAL SANDS

MOZAMBIQUE
(CONSORTIUM
AGREEMENT WITH
RIO TINTO)

COPPER/GOLD
OMAN

LITHIUM
FINLAND

Ravene Drilling Programme Completed at Mutamba Project, Mozambique

Savannah Resources plc (AIM: SAV) ('Savannah' or 'the Company'), announces that it has completed drilling at the Ravene deposit in Mozambique (Figures 1-3), 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:

- Completed a total of 107 drill holes for a total of 2,914m at the Ravene deposit over a 21km strike of potentially mineralised sand dunes
- Targeted high-grade zones where past drilling has returned results of up to 14.7% Total Heavy Minerals ('THM')
- Drilling was carried out on a 1,000m x 500m grid to infill existing drilling carried out by Rio Tinto previously
- Results will be used to estimate an initial inferred resource over the Ravene prospect to potentially increase the Mutamba Project's recently defined initial Indicated and Inferred Mineral Resource Estimate of 3.5 billion tonnes at 3.8% THM
- All samples from the drilling are currently being analysed for their heavy mineral concentration
- The analysis is expected to be completed in February with results available thereafter
- The results of the resource estimation will be fast tracked and included into the commissioned scoping study, which is currently underway

David Archer, Savannah's Chief Executive Officer said today "The completion of this fast-paced resource definition drilling programme highlights the capabilities of Savannah's in-country operations team. The programme was planned to 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. We look forward to receiving the drill results in the coming weeks, which we intend to include in our scoping study for the project, which is underway and continues to progress well"

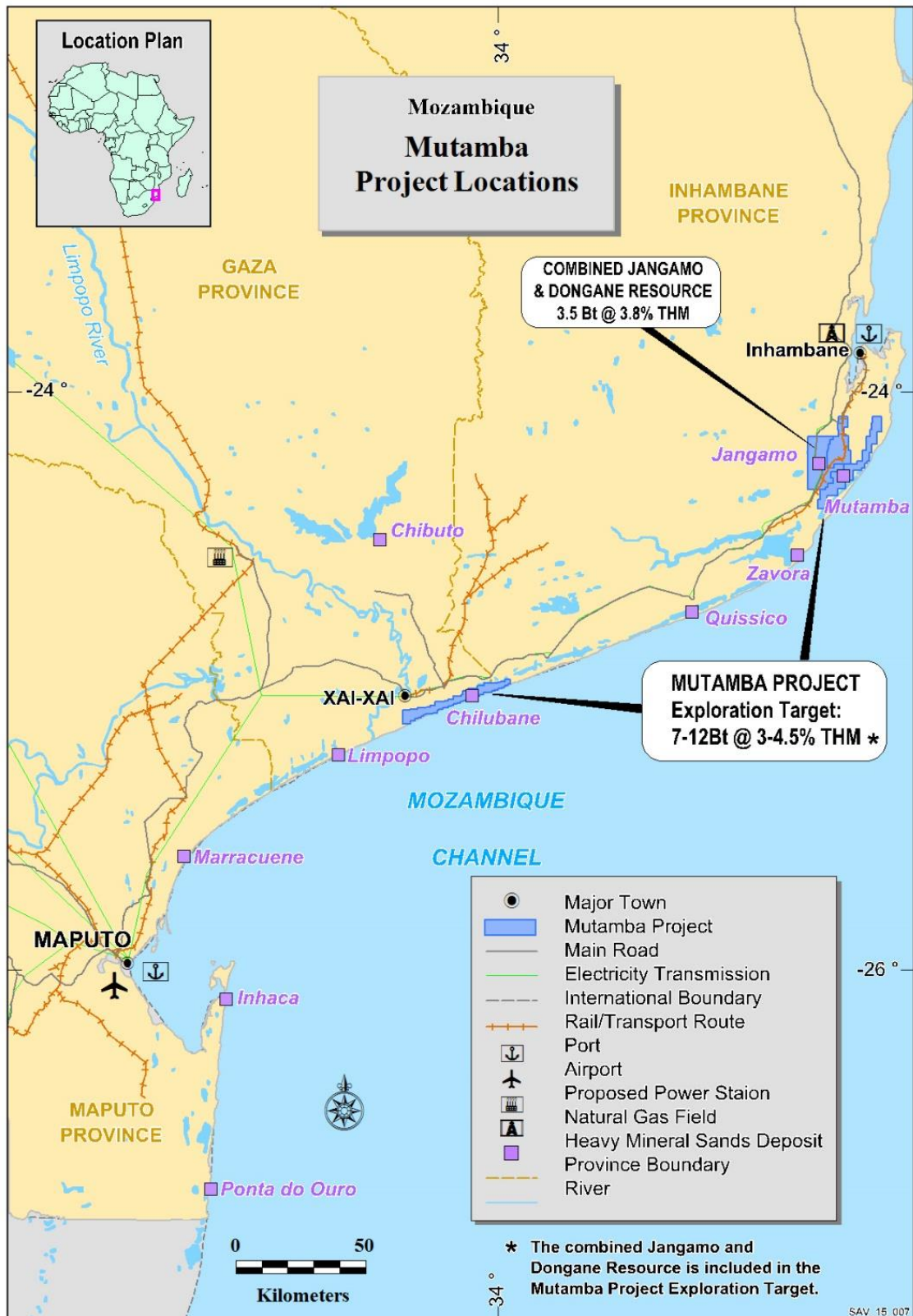
Introduction

The Ravene deposit is part of the Mutamba Project and is situated to the northeast of the Dongane deposit as outlined by previous drilling, and is located on the same system of sand dunes that host the high concentrations of heavy minerals at Dongane. The Ravene deposit is relatively under-evaluated and indications suggest that it has the potential to host significant zones of high-grade heavy minerals, with previous drilling by Rio Tinto highlighting specific zones of significant heavy minerals with values up to 14.7% THM, carried out on a 1,000m x 500m grid. This 1km spacing of the drill lines is considered too wide to provide enough confidence for an inferred resource estimation.

The aim of the drilling at Ravene was to infill the original grid on a 500m line spacing to provide drilling information at a concentration of 500m x 500m. The results from this programme will be used to as the basis for an anticipated maiden Mineral Resource Estimate at Ravene, which will feed into the scoping study that is currently underway.

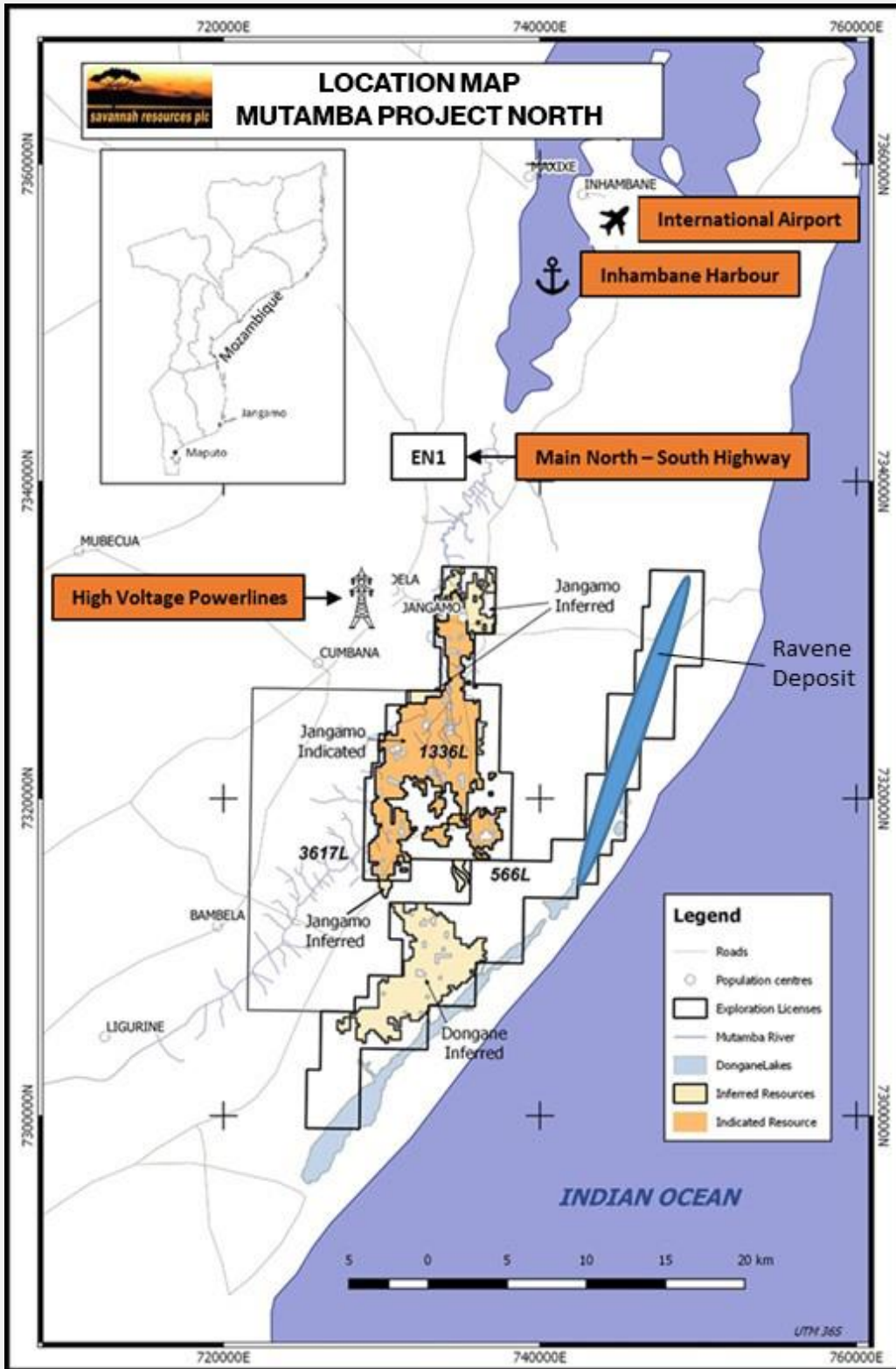
The Mutamba Project is subject to a consortium agreement between Savannah and Rio Tinto and is operated by Savannah. The Mutamba Project includes the Mutamba Project North (consisting of Jangamo, Dongane and Ravene deposits) and the Chilubane deposit is located 180km to the southwest of the Mutamba Project North. The current resource statement includes only the Jangamo and Dongane deposits (Figure 1).

Figure 1. Mutamba Project Location Map



* 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

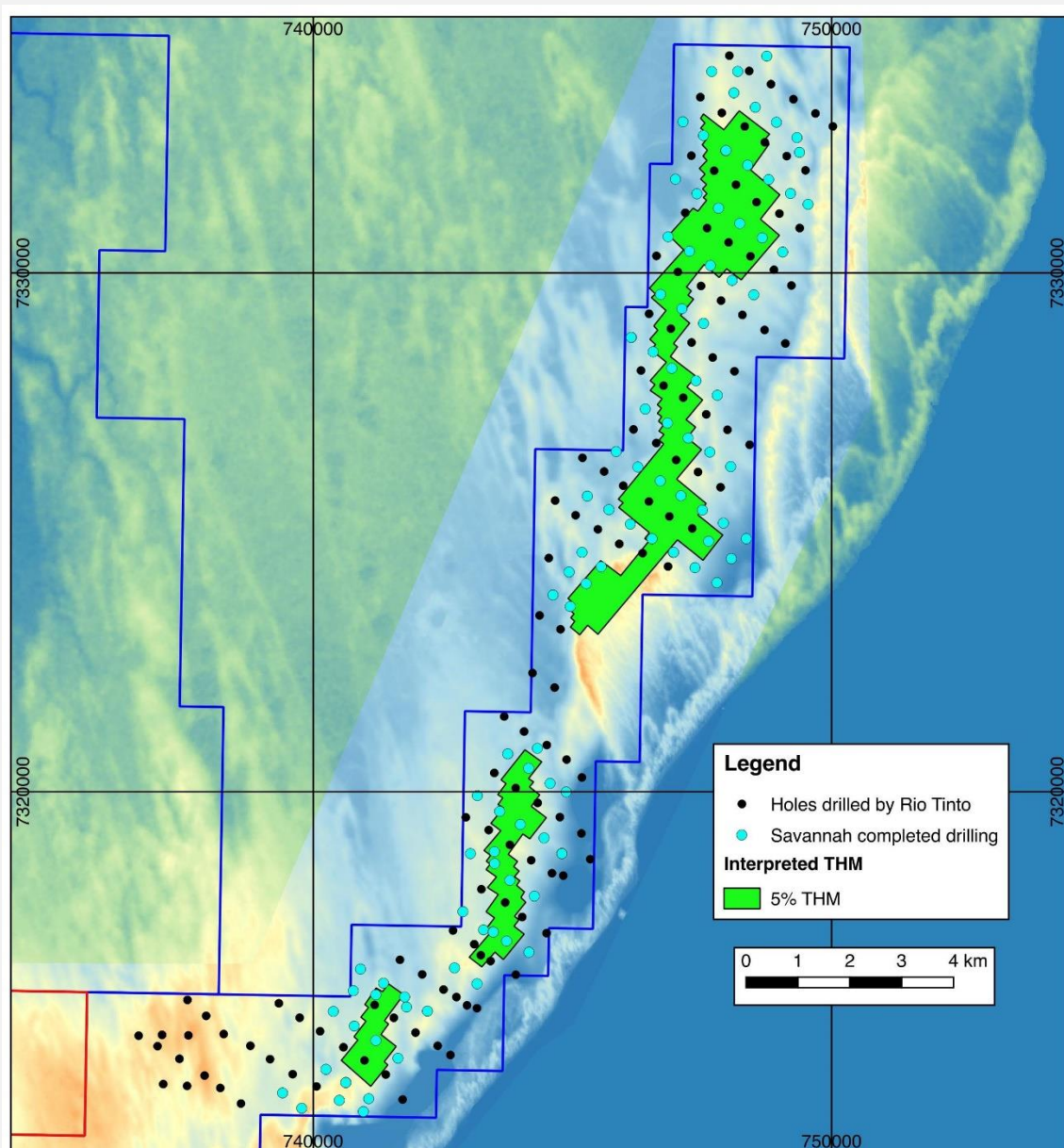


Ravene Drill Programme

The mineralisation at Ravene is found within an extensive set of dunes that NE-SW and are found along the entire extent of the Ravene tenement arm. The drilling at Ravene (Figure 3) was carried out over a 21km extent of these mineralised dunes, and is targeting specific zones of high-grade mineralisation to add to the significant resources already outlined at Dongane and Jangamo. Previous drilling intersected several zones with high concentrations of heavy minerals with grades of up to 14.7% THM. Other zones of greater than 10% THM were seen in 14 other drill holes.

Drilling at Ravene started during the middle of December 2016, targeting the mineralised dunes outlined by the previous drilling. The area drilled is split into two zones, consisting of a northern and southern zone, separated by a large blow-out of recent dune cover. The programme was completed in January 2017, with 107 holes drilled for a total of 2,914m. Samples from the drilling have been submitted for analysis to determine the concentration of heavy minerals in each sample interval. All of the samples are currently in the laboratory and it is expected that the final results will be available for the resource estimation in February 2017.

Figure 3. Map of the Ravene prospect area with Savannah's completed drilling (blue) and existing drilling (black)



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****

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

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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 has highlighted the presence of seven pegmatites across the licence areas - two on Somero and five on Erajarvi – with key lithium minerals petalite, spodumene and lepidolite all identified in hand specimens. Follow up work to further expand and define the pegmatites in readiness for drilling is being planned for the second quarter of 2017 (after winter).