

# Savannah Resources PLC

17:38 16 Sep 2019

## Savannah Resources raises funds to complete its Mina do Barroso DFS

Savannah Resources PLC (LON:SAV) has raised roughly £3.76m through a placing of shares at 2p a pop.

The resource development company has also received letters of intent for a further investment of £1.24m, £1.2m of which will come from its major shareholder, Al Marjan.

In total, the newly issued shares will represent around 19.3% of the company's enlarged share capital.

The funds raised will largely be used to complete the definitive feasibility study (DFS) on the company's Mina do Barroso lithium project in northern Portugal.

Savannah said discussions regarding concentrate off-take from the Mina do Barroso project remain in progress with multiple parties from across the lithium battery industry, ranging from refiners through to end-users such as vehicle original equipment manufacturers.

The outlook for rapid growth in electric vehicles sales in Europe and worldwide remains robust, claimed chief executive, David Archer, and as the largest conventional spodumene lithium project in Europe, the company believes Mina do Barroso has a key role to play in supplying the European market.

"These funds will allow us to conclude the definitive feasibility study on Mina do Barroso and should represent the last call on equity capital markets for finance relating to the project," revealed David Archer.

"Savannah is committed to rigorously de-risking Mina do Barroso as much as possible prior to the start of production. This will be achieved by including as much of our current 27Mt mineral resource as we can in our maiden reserve estimate for the DFS, and completing our comprehensive metallurgical test work programme so we have confidence that our targeted lithium recovery rate can be achieved from all the deposits at the project," he added.

Discussions are continuing with a range of financing groups for the project. Alongside potential customers and strategic investors, the company is also talking to providers of debt, private equity groups, royalty companies and Government and European Union agencies.

"We continue to believe that the capital requirement for the project, which the DFS will confirm, will be an 'achievable' figure for Savannah with little or no requirement for further funding from existing investors or the regular equity capital markets," Archer said.

"The remainder of 2019 and 2020 represent a crucial time for Savannah with regular news flow expected ahead of the conclusion of the definitive feasibility study in Q2 2020. Our top priority is the financing, construction and operation of Mina do Barroso so we can be in production at a time to coincide with a forecast lithium supply deficit emerging," he

**Price:** 2.3**Market Cap:** £29.84 m

### 1 Year Share Price Graph



### Share Information

**Code:** SAV**Listing:** AIM

52 week	High	Low
	6.6	1.9

**Sector:** General mining & base metals**Website:** savannahresources.com

### Company Synopsis:

*Savannah Resources Plc (AIM: SAV & FWB: SAV & SWB: SAV) is a multi-commodity development company focused on building cash generative and profitable mining operations.*

[action@proactiveinvestors.com.au](mailto:action@proactiveinvestors.com.au)

concluded.

As normally happens following a discounted share issue, the share price of Savannah fell on the announcement, trading at 2.1p compared to Friday's closing price of 3.05p.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 [action@proactiveinvestors.com.au](mailto:action@proactiveinvestors.com.au)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Savannah Resources PLC named herein, including the promotion by the Company of Savannah Resources PLC in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to  
Twenty Five Thousand dollars (\$25,000).