

SAVANNAH

SAVANNAH RESOURCES PLC

Company No 07307107

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2024**

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COMPANY AT A GLANCE

Company overview and evolution

Savannah Resources is a natural resources development company. Its primary listing is in the UK, on the AIM Market of the London Stock Exchange and the Company's shares are also traded in Germany on the Berlin, Frankfurt, Munich and Stuttgart Börses and in the US on the OTC Pink Market. The Company is committed to developing and maintaining a culture of integrity, social responsibility, environmental awareness and protection, and good governance in the conduct of its business.

Current focus – the Barroso Lithium Project

Since its creation and listing in 2010, the Company has owned, progressed and divested several projects in differing commodities and geographies and is now wholly focused on the Barroso Lithium Project in Portugal (the 'Project', the 'BLP'). This Project, with first production targeted for 2027, has the potential to become a significant component of Europe's new lithium battery value chain.

This new value chain is being championed by the European Commission as an integral part of the bloc's energy transition strategy as it looks to become less dependent on external sources of raw materials and technology and create an economy with net-zero production of greenhouse gas emissions as part of its efforts to tackle climate change. Through the EU's 2023 Critical Raw Materials Act, legislators have set a target of at least 10% of Europe's demand for critical raw materials, such as lithium, to be sourced from domestic supply from 2030. The Barroso Lithium Project is uniquely positioned to safely and responsibly produce enough lithium raw material for at least 0.5 million vehicle battery packs per year (3.0m plug-in electric vehicles were sold in Europe in 2024).

Project history and work to date

Lithium, feldspar and quartz mineralisation were identified in the Project area during the 1980s and a 30-year Mining Lease was granted over the Project in 2006 to a previous owner (C-100 Mining Lease, extendable by a further 20 years from 2036). Savannah acquired an initial 75% stake in 2017 which it increased to a 100% stake in 2019. To complement the C-100 Mining Lease, Savannah also secured an option to acquire the adjacent three block Mining Lease Application area (now the C-190 Mining Lease). This option was exercised in 2019 and the transaction can be completed by Savannah making a formal request to transfer the C-190 Mining Lease to a company with the Group (and becoming liable for the acquisition cost), this will increase the Project's footprint by around 50% to 8.36km². Across the two Mining Leases, Savannah has completed over 40,000m of drilling to date as part of an extensive evaluation programme on the Project, which has also included two Scoping Studies (2018 and 2023). Through Savannah's evaluation work, the Barroso Lithium Project now contains the largest spodumene lithium resource in Europe with a current JORC 2012 compliant Resource of 28Mt at 1.05% Li₂O (725kt of lithium carbonate equivalent).

The fact that Savannah's Project bears spodumene mineralisation is important as this lithium-bearing mineral has underpinned the development of the lithium industry in Australia into the largest lithium raw material production centre in the world. Hence, safe and responsible mining and processing of spodumene, are well-established industrial practices. Savannah has applied this industry knowledge to its own development plans for the Barroso Lithium Project so that its impact on the natural environmental and local communities is minimised and all relevant Portuguese and European regulations are met or exceeded.

Milestones achieved to date

After an exhaustive three-year process, which included two extended periods of public consultation, the Portuguese environmental regulator awarded the Project a positive environmental impact declaration ('DIA') with conditions in May 2023. The approved design for the Project features numerous measures to minimise its impact. Examples of these include, an innovative water system combining onsite collection with significant recycling which allows the Project to be self-sustaining for its water needs, a dry-stack tailings storage facility which negates the need for a traditional 'wet' tailings dam, the comprehensive rehabilitation of all impacted land and water courses, and a new road which will keep Project-related traffic out of local villages and towns.

Importantly, the June 2023 Scoping Study which was based on this approved design showed the Project's economic capacity to absorb the costs associated with this minimal impact approach. Based on expected average annual production of just under 200,000t of spodumene concentrate (26ktpa lithium carbonate equivalent), the Project was forecast to generate an average annual EBITDA of USD205m and annual net free cash flow of USD124m. Overall, a post-tax Net Present Value ('NPV') of USD953m was generated alongside an Internal Rate of Return ('IRR') of 77% and a payback period of just 1.3 years.

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Supported by the Project's key environmental approval and the robust economics of the 2023 Scoping Study, Savannah initiated a Strategic Partnering Process in late 2023 and received significant commercial interest from a range of groups from both within and outside of the lithium industry. The initial outcome from the process saw established lithium industry player, AMG Critical Materials N.V. ('AMG'), invest GBP16m into Savannah and become its largest shareholder with a 15.8% stake in June 2024. This investment was coupled with a heads of terms agreement for 5 year offtake for 45ktpa of spodumene concentrate (representing ~25% of planned production) from the Project at market prices. Savannah and AMG can increase this offtake to 90ktpa over 10 years (representing ~50% of production) if AMG can assist Savannah in securing an acceptable 'full financing solution' for the Project. A significant step forward was made in this potential financing process, when Euler Hermes AG, the export credit agency acting for the German Government, confirmed the Project's eligibility for a guarantee on a loan up to USD270 million in December 2024.

Savannah's latest milestone has been the classification of the Barroso Lithium Project as a 'Strategic Project' by the European Commission ('EC') under the Critical Raw Materials Act in March 2025. The EC has selected the Project, alongside 46 others, as they contribute to the EU's secure supply of strategic raw materials, adhere to environmental, social and governance criteria and, are technically feasible and demonstrate clear cross-border benefits for the EU. As a result, Strategic Projects should benefit from coordinated support by the Commission, Member States and financial institutions to become operational.

Current work and development timetable

Savannah is currently working on the Project's Definitive Feasibility Study ('DFS') and the confirmation phase of the environmental licencing process. It expects to complete these two tasks by the end of 2025. Once achieved, these major milestones for the Project would be followed by a Final investment Decision, securing of a development financing package and further strategic partnerships. Subject to financing, construction is expected to start in 2026 with commissioning and first production targeted for 2027, to coincide with the forecast of tightening conditions in the lithium market and higher prices.

Sharing the benefits of the Project with all stakeholders

Alongside the significant returns the Project could generate for Savannah's shareholders, it could also contribute over USD900m in taxes and royalties to be shared between the local authority and Portuguese Government. However, this is only one of a host of socio-economic benefits that the Project can generate for its stakeholders in the future. Savannah has been actively engaged with local stakeholders since it first became involved with the Project in 2017 and has been supporting local organisations, working with local businesses and employing local people throughout that period. Once in production, the Project's socio-economic impact will be significantly scaled up. This will include the creation of c.350 direct jobs and around 2,000 indirect and induced jobs in the wider economy. In addition, key infrastructure including a new road connecting directly with the highway network will be shared with the local population, and far greater financial resources will be committed to supporting community initiatives, education and training.

Savannah's Key Pillars

Corporate

- **Experienced:** 15 years as a listed mineral exploration & development company, Board features 5 experienced international Non-Executive Directors ('NEDs') supporting 3 C-suite executives who cover key work areas, and growing technical and support teams featuring seasoned professionals
- **Focused:** Pure play lithium development company
- **Strong Governance/Low risk:** UK registered Plc, regulated by UK law and London Stock Exchange compliance & controls; Operating in Portugal, an EU member state

Project

- **Critical:** Recognised by the European Commission as a secure, responsibly managed, domestic supply of a 'Critical' and 'Strategic' material for Europe's energy transition
- **Achievable:** A well advanced project with conventional mining, processing & lithium mineralogy and a modest CAPEX
- **Expandable:** Already Europe's largest spodumene lithium resource, but open to further extensions
- **Valuable:** Value recognised by industry partner (AMG), but full value still to be reflected in share price
- **Financeable:** Modest CAPEX, high IRR. Eligible for up to USD270m loan guarantee from German Government
- **Investable:** Great project, experienced team, EU location, positive lithium market outlook, upside

Further information available at www.savannahresources.com.

CHAIRMAN'S STATEMENT

Significant progress made against a challenging backdrop

It is a pleasure to be delivering my first annual statement to shareholders as Chair of your Company.

Savannah made some very important progress with its wholly owned Barroso Lithium Project in Portugal during 2024 despite it being another challenging period for the lithium sector and marked by ongoing global geopolitical uncertainty. Savannah finished the year strongly with our team back in the field preparing for our next major drilling campaign. This followed other significant achievements including, our clear and comprehensive response to Operation Influencer, the creation of our first strategic partnership with AMG accompanied by a direct investment of GBP16m in the Company, significant growth in the Company's Portuguese shareholder base, the receipt of firm backing for the Project from the country's government and parliament, and a doubling in the Company's share price.

Given the backdrop of wider events, this progress was both hard won and very significant. With so much 'noise' in the media, global politics and capital markets at present, I think it is more important than ever to focus on the facts when trying to interpret underlying trends and key themes. In Savannah's universe, that includes looking at battery demand as demonstrated by EV sales and growth in battery energy storage systems ('BESS'), the trend in lithium prices and relevant activities inside and outside of the lithium sector. Across these three indicators I see reason for optimism as we move further into 2025. This optimism has been further fuelled in recent weeks with the Barroso Lithium Project being selected among the first group of European projects to be classified by the European Commission as 'Strategic Projects' in March 2025. This classification greatly validates our Project and should result in coordinated support from the Commission, Member States and financial institutions to become operational.

Drilling at the Barroso Lithium Project during the Phase 2 DFS programme



Source: Company

CHAIRMAN'S STATEMENT

Returning to market fundamentals, such as battery demand, and contrary to many reports in the mainstream press, EV sales were strong last year. The Chinese market continued to dominate, recording 1m+ sales per month for the first time and seeing 40% year on year growth to 11m vehicles. Growth was also seen in North America (+9% to 1.8m EVs) and the Rest of the World (+27% to 1.3m EVs) and although European sales declined by 3% to 3m units, largely due to a weakening German market, growth was seen in many countries, including the UK and Portugal. Overall, EV sales grew by 25% to 17.1m worldwide last year and have started 2025 strongly too (source: Rho Motion). Rho Motion is forecasting sales of 20m units in 2025 (+18%) with growth in all major markets, including Europe.

Growth in battery grid storage capacity in 2024 was even more impressive than EVs, surpassing early expectations for the year with over 200GWh of capacity installed worldwide, a 53% increase year-on-year (source: Rho Motion). As with EVs, China also dominates the BESS sector, seeing a 66% increase in its grid scale battery storage capacity and accounting for 59% of the world's overall capacity. However, Europe saw the fastest rate of growth at 110% with North America matching China at 66% year-on-year. While other battery technologies exist in this rapidly growing sector, it is still dominated (87% of total energy storage installations) by Lithium iron phosphate ('LFP') batteries. Hence, despite the persistently challenging economic environment, we have clear evidence of strong demand growth in the two key applications for batteries, lithium's key demand segment of the future.

Despite this reasonable short-term demand, lithium commodity prices continued to decline following the c.80% fall recorded in 2023. Lithium chemical prices fell by over 30% and spodumene was down around 14% vs. year end 2023 levels (based on S&P Global Platts data). Importantly, in the case of spodumene concentrate, the 2024 year end price of USD830/t is still well above our Project's breakeven average price of USD650/t (for 6% Li₂O spodumene concentrate based on the 2023 Scoping Study). As a pre-production company, Savannah is largely insulated from current prices. However, as recent financial results from current producers and those commissioning projects have shown, current price levels for spodumene and lithium chemicals are uneconomic for many and therefore unsustainable given the growth in output required to meet forecast future demand.

During 2024, the lithium producers frequently responded to the sustained price pressure by cutting production to stimulate price recovery. While this initially had some positive impact during Q1 and Q2, the trend was reversed in Q3 before a subsequent minor rally began on the back of more production shutdowns and a slight improvement in sentiment. Pleasingly, this upward trend has continued into early 2025. Having been through a number of lithium cycles myself already with my previous companies, Orocobre and Allkem, I'm confident that pricing will improve over time to a level at which all participants along the battery value chain can thrive again and this view continues to tie in with the market consensus. Demand is still forecast to grow significantly over the next decade with prices rising alongside it as market conditions tighten and move into deficit from 2028 onwards (source: Canaccord Genuity). All of which suits Savannah as we continue to target first production from the Barroso Lithium Project in 2027.

While current pricing trends are yet to demonstrate a firm recovery in demand, I believe other activities in and around the market continue to flag lithium's ongoing significance and strategic importance for the future. For example, the sector did see some notable M&A activity during the year, indicating that the industry itself continues to mature and see opportunity in the current low-price environment. This began last January with the completion of the merger of, Allkem with Livent to create a new lithium major, Arcadium Lithium ('Arcadium'). Arcadium subsequently received a USD6.7bn proposed takeover from Rio Tinto in October, which represented a 90% premium to Arcadium's market value at the time. That deal completed in March 2025, making Rio Tinto one of the largest producers in the sector. In addition, in August, Pilbara Minerals proposed an all -share acquisition of Brazilian developer, Latin Resources, for USD369m, a 57% premium to Latin's share price at the time in a deal which completed in February 2025.

There was also greater engagement in the sector from key governments. In Europe, the Critical Raw Materials Act came into effect, and as I flagged earlier, we were delighted when the Barroso Lithium Project was classified by the European Commission as a 'Strategic Project' in March 2025. We now look forward to engaging with the authorities to leverage this support as well as additional potential opportunities that may stem from other relevant new policies which the European Commission is enacting. All in all, this should create a stronger and more supportive development framework for the minerals industry and battery value chain in the region. We also enjoyed critical support from the Portuguese Government during the year which showed the value it places on our Project by granting the temporary land access order in December which we needed to continue our fieldwork on land at the Project which the Company does not own.

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In the USA, many companies benefitted from funding through the Inflation Reduction Act. Following the return of President Trump to office that source of government funding is now in question. However, the ongoing significance of critical minerals to the US, has been made abundantly clear in other ways by the new President, including through his interest in making Greenland a US territory and in receiving access to Ukraine's critical mineral wealth in exchange for ongoing support and brokering of a peace deal with Russia. China too continues to push hard at all points in the battery value chain both domestically and internationally, to maintain and grow its already dominant position.

Hence, I believe, many of the elements for a supportive background to our continued progress are appearing or are already in place. My sector experience tells me that the path ahead will likely have further bumps and turns, but that we will be able to complete our journey and reach our target of becoming a major European lithium producer.

Drilling at the Barroso Lithium Project and Savannah's geologists examining drillcore samples



Source: Company

Savannah's key successes in 2024

The Company made some very important progress during 2024 both at the Project and corporately, which continues to contribute to the de-risking of Project and the optimisation of the Company as an investment opportunity. Our key achievements at the Project during the year are summarised below.

Progress towards the major DFS and environmental licence milestones

These two milestones are the next key deliverables on the Project, and the Board and I are supporting the team to push hard to achieve these goals. Completion of the first phase of the drilling required for these studies in May 2024 represented a good start, particularly with the programme delivering the highest lithium intercepts recorded to date at the Project from the Pinheiro deposit and showing again the potential extensions to other orebodies. Even though we have already outlined Europe's largest spodumene resource, this Project clearly has much more to offer in terms of resource potential.

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The data from our current drilling programme is critical for a number of aspects of the DFS, including resource modelling and pit design, and for the environmental licence for its various hydrology-related studies. However, there is much work that goes into the DFS aside from the drilling, such as infrastructure planning and design, and the team also advanced these key themes during the year in partnership with our highly experienced consultants. The environmental team also continued to gather the all-important background data required for the RECAPE submission to the environmental regulator. Combined with the key design features which will come from the DFS, this baseline data will confirm Savannah's ability to construct and operate the Project in line with all the conditions set as part of the positive DIA award in 2023.

Savannah expects to complete the DFS and submission of the environmental licence by the end of 2025.

Further expansion of the team

With Project work ramping up during the year, Savannah responded by adding staff in key areas. This not only included those critical to the technical work, such as geologists and field assistants (with some hires coming from the existing local population), but also in Community Relations and in Communications. Our Project is able to attract good quality staff and the fact that the vast majority are Portuguese underlines the interest and support the Project enjoys domestically. Furthermore, a considerable number are now living full time in the Project area while others are spending significant time there, utilising the additional staff accommodation we have added recently. Overall, the team in Portugal approximately doubled during the year to over 25.

Deepening our integration with local stakeholders

During the year our community relations and communications teams organised a comprehensive programme of meetings, events, initiatives and media publications which significantly boosted our engagement with local stakeholders. Equally importantly, however, is the greater interaction and organic relationship building which has come through increasing the size of our team living and working locally.

I will leave you to read more about stakeholder engagement activities in subsequent sections of the Report, but I'm pleased to confirm that we are seeing positive results from this greater, more proactive, engagement. This may not always be apparent to those viewing from afar and simply seeing headlines about the Project, but at the local level there are now many more people willing to engage with us, speak in favour of the Project or show their support in other ways. At the same time, the impact of those vehemently opposed to the Project is being diluted as the discussion and presentation of this critical raw material project in the media becomes more balanced. It is clear to us, while understandable concerns among local communities about the future impact of the Project remain, stakeholders are wanting and valuing accurate information being made available, not misinformation. In this way they can make informed decisions about the Project and make plans about what it will mean for them. I believe that an increasing number share our view that the Project represents a significant opportunity for the local population and the region and we welcome ongoing dialogue, feedback and engagement.

Land acquisition and access

Savannah continued with its land acquisition programme during the year and completed a further 9 transactions during 2024. This took the total number of properties owned by Savannah to 106 by year end with a further 13 under promissory notes with EUR2.1m paid to local community members for land to date. Acquisitions have continued into 2025 with new transactions already completed. However, to keep Project workstreams such as the DFS on track, Savannah undertook the legal process which grants it temporary access to land it does not currently own on the Project's concession area. After some delay caused by the change in Government during the year, the new Government demonstrated its support for the Project by granting the temporary land access order in December 2024, allowing Savannah to start immediate preparation for fieldwork in the areas concerned. With an eye on the Project's future development, the Company subsequently initiated the process for compulsory acquisition of relevant land which it does not own at the Project but Savannah continues to also offer relevant landowners the opportunity to sell or lease land to the Company based on its previously proposed frameworks and rates.

Award of the C-190 Mining Lease

In December 2024, the 'C-190' Mining Lease application over the 3 block 'Aldeia' area was awarded to its current owners, the Portuguese company Aldeia & Irmão, S.A.. The new Mining Lease, which is adjacent to the C-100 Lease has an initial duration of 25 years and can be extended twice, initially by a further 15 years and then by a further 10 years. With 3.5Mt of resource already outlined on Block A of the Lease area and following some exciting exploration results recently reported from Block B, this was an important development for the Project

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and reaffirms that mining is seen by the government as a priority land use in this area due to its significant mineral wealth.

Our major achievements on a corporate front included:

Our strategic partnership with AMG

We now have AMG Critical Materials N.V ('AMG') onboard as our first strategic partner, largest shareholder and proposed first offtaker. This was the initial outcome from the Strategic Partnering Process we ran during 2023-24. The GBP16m equity investment by this established lithium group last June, which was made at a significant premium to the share price at the time, gave us a greater financial reserve with which to push on as quickly as we can with the current work programme. Meanwhile the connection into Germany, as demonstrated in December when the Project's eligibility for a German Government loan guarantee of up to USD270m was announced, further shows the scale of the long-term value of this relationship. I am sure many more benefits of this European-focused partnership will present themselves as we proceed together, and we are looking forward particularly to collaborating on the study for potential joint construction of a spodumene-to-lithium carbonate refinery in Portugal or Spain.

Growth of our Portuguese shareholder base

Savannah has also greatly benefitted from the significant support it has received from our new Portuguese investors. Portuguese individuals and institutions, including retail investors from the Boticas region as well as some of the country's most prominent entrepreneurs and businesses such as Mario Ferreira and Grupo Lusiaves, now own close to 20% of the Company. This follows consistent buying in the market over the last year and the size of the shareholding clearly demonstrates the growing in-country interest and support for the Project and Savannah. This interest is not only as a simple investment opportunity, but also because many Portuguese people want to support the development of a new national industry based on Portugal's substantial natural resources, its existing infrastructure and high-quality workforce.

Reconfiguring the Board for project development

Savannah's Board has seen significant change over recent years and my thanks go again to my predecessor in the Chair, Matthew King and to former Non-Executive Directors James Leahy and Mary Jo Jacobi who all stepped down in June 2024. I'm sure I speak for all in saying that their direction and counsel over many years as the Company first developed and then streamlined its portfolio of projects is greatly appreciated.

Following Emanuel Proença's appointment to the Board in April and my own appointment as Chair and Diogo de Silveira's appointment as Deputy Chairman in June, we welcomed Mike Connor to the Board in August 2024 as the representative of AMG. Mike, who joined our Board as a Non-Executive Director, is Chief Corporate Development Officer at AMG and a member of its Management Board. Mike has been involved in building AMG's own lithium business and played a significant role in creating the strategic partnership with Savannah. Hence, he is well placed to act as the link between our companies and to provide insight to Savannah based on AMG's deep lithium sector knowledge.

With Mike's appointment and the other changes made last year, I believe Savannah now has the skills and experience necessary on its Board to successfully direct the development of this Project. While every project is different, the development of mining projects typically follows well established processes in relation to their financing and technical development. We have Board members, including myself, who have been intimately involved in such projects in a variety of commodities, including lithium. However, and of equal importance to the successful development of a project, is the ability to operate in the jurisdiction concerned. Knowledge of local business practices and relationships with key stakeholders is essential. Hence, with two Portuguese Directors in senior positions at the Company, we believe we have the local expertise to successfully steer the Project through to production.

Gaining greater political support

In addition to the European Commission and German Government support highlighted above, we have also enjoyed valuable support from the Portuguese Government and parliament. Clear government support was shown by the award of the temporary land access order in December, and again in February 2025, via the 'Reasoned Resolution' from the Minister for the Environment and Energy which led to the immediate lifting of the suspension on our fieldwork activities. Furthermore, in September, following a debate in the Portuguese Parliament about domestic lithium development, only 6% of MPs voted to try to restrict our Project. Cross party support in Portugal for economic development, including the creation of the battery value chain in Portugal

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remains strong.

The UK Government also remains an advocate of the Project, and we were delighted to win the 2024 Overseas Direct Investment Award from the UK-Portugal Business Alliance. We were also very pleased to welcome HM Ambassador Lisa Bandari at site, as well as the Australian Ambassador to Portugal, Indra McCormick, and representatives from the German Embassy.

Savannah's key challenges during the year

As I said above, our achievements in the year were hard won and for completeness and transparency it is important to highlight some of the issues which our team have faced and effectively dealt with during the year.

Project opposition and misinformation

I have already spoken about the noise around the Project from those who are vehemently opposed to it being increasingly countered by a growing number in our local communities who support the Project and those just wishing to understand the facts and not wishing to be labelled with the extreme views and behaviour of others. However, as we advance the Project, I have no doubt that those which remain against its development will continue to distribute more misinformation and seek ways and means to hinder progress. Shareholders should be assured that we are equally committed in our resolve to maintain progress, to work safely, respectfully and within the law, to listen and respond to genuine concerns from stakeholders, to continue the distribution of accurate information about the Project, and to keep engaging regularly with all of the Project's local stakeholders. We are also firmly committed to upholding our legal rights to conduct this important work and to seek redress from those involved if we are impacted by wrongdoing or misinformation.

Change of national government

The first half of 2024 was also marked by a change of government in Portugal with the centre-right Democratic Alliance (AD), led by Luís Montenegro, forming a minority centre-right government and replacing the previous majority government of the Socialist Party (PS). Following this, Savannah was effective in developing relationships with the new incumbents within the new government and other public entities.

However, the change of government did lead to a delay of more than half a year in the development of the Project due to the time taken to receive approval for the temporary land access order we required to proceed with our fieldwork on land situated on the Project's concession area, which the Company does not own. As a result, it was necessary to push back delivery of the DFS and confirmation of the environmental licence into the second half of 2025 and first production from 2026 to 2027. However, as I have highlighted, the Project will still be coming online at a time of much more favourable market conditions and higher prices.

Operation Influencer

The Operation Influencer investigation which the Portuguese Public Prosecutor initiated in November 2023 obviously impacted the Company's brand and share price at the time and into early 2024. However, Savannah responded quickly, comprehensively and professionally with a full independent legal review and legal opinions on its business, the findings of which were released on 30 January 2024.

The independent legal review found no evidence which would give rise to liability of the Company. It also found no evidence of improper offers, improper payments, or other forms of wrongdoing by the Company regarding the suspicions set out in the Investigation.

The separate legal opinions also confirmed that, based on the findings of the independent legal review, but also on the functioning of the Portuguese permitting process, past legal experience, and constitutional protections, under no realistic circumstance would the Project's execution and its expected future cash flows be at risk from the Investigation's findings. The conclusions of the independent legal review and the legal opinions demonstrated Savannah's solid legal position in relation to the alleged facts and circumstances contained in Operation Influencer. Though the investigation continues and no guidance on future steps or outcome can be given at this stage, Savannah had no further significant contact with the investigating authorities during the year and has been able to continue with all its work unencumbered.

Financial Overview

From an opening cash position of GBP9.7m, Savannah recorded its highest ever cash balance of GBP22.0m in June 2024 following the GBP16m equity investment from AMG. With the first phase of DFS-related drilling completed by May, Savannah was keen to maintain this momentum and utilise its replenished cash reserves in

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support of the second phase of the planned programme. However, the delay caused by the completion of the temporary land access process, meant the second phase of drilling was delayed and spending in the second half of the year was less than expected, though staff costs did rise as forecasted due to the larger team and key workstreams not related to fieldwork continuing. Overall ongoing investment in the Portuguese asset base reached GBP4.6m (2023: GBP2.3m). As a result, the Company finished the year with GBP17.7m of funds in bank, which is now being committed to the completion of the DFS and confirmation of the environmental licence later this year.

In terms of the broader financial performance, Savannah recorded a loss from continuing operations of GBP4.4m (2023: GBP3.5m). Administration costs for 2024 amounted to GBP4.3m (2023: GBP3.5m), representing a 23% increase, and is driven by investments in building a strong team for the development of the Project. Foreign exchange losses rose from GBP0.1m to GBP0.4m as a result of the strengthening of the GBP against the EUR and AUD, in which the group held cash balances which matched the planned expenditure. On the other hand, by the careful cash management the Group reported Finance Income of GBP0.3m (2023: GBP0.1m). Discontinued Operations Income of GBP0.2m (2023: loss GBP0.2m) is primarily driven by the reduction of the tax provision (Note 19).

Outlook

In my previous reports to shareholders I have said that Savannah is in its strongest ever position with the Project and I continue to believe that is the case.

Lithium is established as a metal critical to future global economic growth and tackling the impacts of climate change. We have an excellent Project and a capable team. Corporate activity remains high with one of the largest M&A transactions in the whole mining sector seen in lithium during the year. Europe has committed to developing a domestic critical raw materials industry, our Project has been among the first to be classified as a Strategic Project, and the Portuguese Government has demonstrated its support on multiple occasions. Savannah has cash in the bank to allow the continuation of our value adding work on the Project and we have a supportive, highly credible first strategic partner. We also retain 100% of the Project and at least 50% of the future lithium offtake. Hence, we have the significant leverage with which to strike other partnerships and secure further finance.

Given that backdrop, we should look to the future with great confidence and seize the opportunity to progress our Project as quickly as we can towards production while continuing to build meaningful ties with local stakeholders. In that way, we will be ready to take advantage of the more favourable conditions and higher prices, which will return to the market in the future.

We must also communicate our story as widely as we can to increase awareness of Savannah as an attractive investment opportunity in the battery metals and energy transition sectors. We were pleased with the 100%+ improvement in the Company's share price during the year, but much greater value remains to be crystallised in our market value.

2025 is set to be another very important year in the development of Savannah and the Barroso Lithium Project. The team and I look forward to reporting on our progress as we move forward. My thanks go to our shareholders, staff, and stakeholders for their ongoing support and to our dedicated team for their continuing hard work.

Rick Anthon
Chairman

Date: 9 April 2025

CHIEF EXECUTIVE'S REPORT

I am delighted to have this opportunity to provide an update for shareholders on what was my first full year in the CEO role at Savannah. We took a number of very important steps towards development of the Barroso Lithium Project during 2024, which will make 2025 a pivotal and exciting year for the Company.

In my first CEO's report to shareholders last year, I listed some key observations which I had made about our business during my early months in the role. I also identified the key areas (project development and delivery, team building, growing our mandate for the Project's development, and changing the perception of Savannah) which I would be focusing on to make the Barroso Lithium Project a reality and to deliver greater value to shareholders. I provide an update on the progress made in those key areas below.

1. Project development & delivery

Project delivery is fundamental to everything we do and it remains the top priority for me and the team. Development of the Project and eventual supply of responsibly sourced lithium raw material into the European market represents Savannah's best opportunity to generate maximum value for shareholders. Fulfilling this goal would also mean that Savannah makes a meaningful contribution to economic growth locally, nationally and potentially in a number of other countries as well while playing its part in society's efforts to tackle climate change and decrease geopolitical and geoeconomic tensions.

Our near-term goals are delivery of the DFS and the RECAPE submission for the Project by the end of 2025. Achieving those targets will keep us on track to start construction of the Project in 2026 and to reach the greatest milestone to date for the Project and the Company, first production, in 2027. Our job is to make every effort to reach that point and hence we need to control and manage as many of the inputs and variables in the multiple processes involved in achieving that goal as we can.

To this end, we successfully managed and executed a number of elements during the year. This included, securing additional financing and our first strategic partnership, building out our team, completing the first phase of drilling and other important fieldwork, advancing DFS design work and environmental studies away from the field, strengthening our ties with the local community and frequently engaging with key Portuguese State entities and government stakeholders. We also continued with our land acquisition programme, adding more plots during the year and passing the 100-plot milestone.

Knowing that we would not be able to acquire all the land plots we need to complete the DFS-related fieldwork, we also applied for a temporary land access order from the government to gain permission to work on ground we do not own. This application was made well in advance of access being required. Unfortunately, the change of government in Portugal during the year (the application had been made to the previous government) meant that the granting of the order took much longer than expected, which impacted our timeline. Most importantly though, the order was eventually granted in December 2024 and we moved straight into the field. Drilling commenced in January 2025 and as at 31 March 2025, 57 holes have been drilled for a total of 6,204m.

Any slippage from the timetable is a frustration for all, and though the cause was a matter which we could not control, we have taken learnings from the experience, which we are already applying.

The most obvious of these is on future land management. We have stated many times that our preference is to reach amicable agreements with owners on sales or access rights to land on the Mining Lease. We have been pursuing this policy since 2021 and have purchased over 100 plots to date and injected EUR2.1m into the local community as a result. Savannah will continue to offer landowners the opportunity to sell or lease land. However, we have chosen to also initiate the process for compulsory purchase of relevant land at the Project, in advance of it being required, in order to maintain the Project's development schedule. This is a very commonly used legal process in relation to infrastructure projects in Portugal and has been used previously in the region surrounding our Project for hydroelectric dams and roads. It also offers a practical solution for completing purchases in a variety of situations, e.g. for plots with inheritance issues, undefined ownership, or very small dimensions. Though not our chosen approach, it is the appropriate time to utilise this legal process.

Overall, our goal is to continue to increase the level of control we have in all aspects of the Project's development schedule. No doubt there will be other unexpected situations as we move forward with the Project, but we are firmly focused on clearing as many obstacles from the path as we can so that the technical team and our consultants can progress efficiently with their work. We can then demonstrate this Project's economic, environmental and social credentials to the required level of accuracy to secure the licencing, finance and commercial support we need to make this Project a great success.

CHIEF EXECUTIVE'S REPORT

2. Team building

As a function of the Project's ongoing progress towards key milestones and future development, the team in Portugal has increased by 109% since the start of 2024 with the Company's total staff, including those in Australia and the UK now standing at approximately 40, excluding Non-Executive Board Directors. 82% of our staff are Portuguese nationals and our demographic is approximately 70:30 male to female, which is significantly more balanced than the current industry standard (source: McKinsey). We continue to promote employment of local community members wherever possible and are delighted that more chose to join the team during the year.

With the Project and Company maturing, not only have we made excellent hires to our technical team in support of the ongoing appraisal work, but also in functions such as Community Relations, Communications and HR. The extra capacity in these areas is proving critical as we increase our engagement with stakeholders and the wider population and look to introduce more formal business processes into the Company. Based on the number of inquiries and applications we continue to receive, interest in working for Savannah is growing and we look forward to further expanding our team in 2025 and beyond.

CEO Emanuel Proença and other members of the Savannah team in the Boticas Information Centre



Source: Company

In parallel with our team building, we are also increasing and improving Savannah's footprint in the local area so that our colleagues, old and new, have suitable places to live and work. In recent months we have completed the comprehensive refurbishment of the former core shed to create our 'Geology Centre', which now features substantial office space for our technical team alongside the warehouse area for logging core and cutting and preparing samples. The Centre has also become an excellent space for hosting our regular community events to which we are now regularly attracting more than 100 people. We are also in the final stages of fitting out a new 30-person office in the town of Boticas, close to our Information Centre. This will provide working space for the Environmental, Community Relations, Communication, Technical, and Administration teams, as well as for additional employees as they come onboard. In terms of accommodation, we have taken on and refurbished additional houses in the local area, so that colleagues can live there permanently or stay for extended periods. As of today, we have 16 colleagues permanently living in the local area, the majority of which were existing local residents, with a further 7 living there during the week. A corporate office in Lisbon has also been opened.

CHIEF EXECUTIVE'S REPORT

Once in operation, the Project is expected to employ approximately 300 people directly, so there is clearly much work for us still to do in terms of securing more work and living space for our growing team and contractors. In addition to strengthening bonds within our own team, the great benefit we have seen from having more of our staff living and staying locally has been the extra opportunities it provides to build ties with the local community. We are simply more 'present' and that has proved to be of great value and will be even more so in the future.

3. Getting support to achieve the achievable

In last year's report I talked about the Project being 'achievable' for Savannah based on its scale, conventional mineralogy and modest capital requirements, and making sure that we 'achieve the achievable'. Part of making that happen is partnerships and finance and a major success of 2024 was the completion of our first strategic partnership.

With its combined experience in open pit spodumene mining in Brazil (another lithium producing Portuguese speaking country!) and lithium chemical production in Germany, AMG is an ideal partner for Savannah. Its investment of GBP16m last June at a significant premium to the prevailing share price, and becoming our biggest shareholder in the process, was an early demonstration of AMG's positive view on Savannah and the value it places on spodumene offtake from a reliable, European source. This is further underlined by its willingness to take a leading role in helping us to secure a full financing solution for the Project. Already this has led to a strong endorsement for the Project from the German Government and associated entities through the form of a potential USD270m loan guarantee. We are very excited to pursue these financing opportunities with AMG, as well as the joint study we are planning on a potential refinery.

This first deal also leaves us still owning 100% of the Project and at least 50% of the future offtake. Hence, we have significant leverage available to attract other partners and associated finance. We will continue to engage with other potential partners during the remainder of the year as we move towards the next milestones and then project financing and start of construction in 2026.

We will also progress discussions with potential partners for our by-products (feldspar-quartz and potentially mica) during the year. On both fronts it will be exciting to see the additional commercial interest the Project generates.

4. Leveraging our mandate

I believe our mandate to develop the Project increased significantly during 2024 and into early 2025 with more stakeholders stepping forward to give us their backing.

Successive Portuguese Governments have now demonstrated their support for the Project through critical approvals on environmental licencing and land access. It was particularly pleasing to read in the Reasoned Resolution submitted to the Mirandela court by the Minister for Environment and Energy in response to a claim made by three local landowners in February 2025 that the government, "...believe that any postponement of the execution of the administrative act (the temporary land access order) being challenged in court is ...seriously detrimental to the public interest, and that its full effectiveness should be maintained". This Resolution not only allowed us to immediately restart our work on land concerned, it also clearly reconfirmed the Portuguese State's view on the value of the Project to Portugal and the strength with which it will act to support its ongoing development. We also had the wider Portuguese Parliament voting strongly in favour of lithium development last September.

This national government support was decisively complemented in March 2025 by the European Commission's classification of the Project as a 'Strategic Project' under the Critical Raw Materials Act, which came in force during 2024. This validation is a massive boost to our mandate to develop the Project, and the classification should also result in practical assistance from the Commission and its agencies in getting the Project into production. Engaging with the key actors and leveraging this opportunity will now be an important task during the remainder of 2025.

CHIEF EXECUTIVE'S REPORT

Away from government, and alongside AMG making a significant investment and becoming our largest shareholder, we saw rapid growth in our Portuguese shareholder base which now represents close to 20% of our register. Notably, our Portuguese shareholders range from members of our local communities through to an institution, a prominent entrepreneur and a major Portuguese business. Earlier this year we also saw the formation of the 'Future of Barroso Association' by a group of local people. They represent those in the community who wish to engage with the Project to ensure that the opportunities it generates are maximised for local people. Savannah looks forward to engaging more with this group going forward, as part of its wider stakeholder engagement activities.

While wider agendas across these stakeholder groups may vary, they, like all our other existing shareholders, share a desire to see this Project move forward. Together, they make for a very strong support base for the Project and provide great confidence to us. We will be sure to highlight and utilise this mandate as we push forward.

5. Changing the perception of Savannah

I said last year that I thought this was the biggest challenge that Savannah faced. I think it still is, but that does not mean that we haven't made some very significant improvements to Savannah's brand over the last year.

Throughout this report you will read about the great work that our Community Relations and wider team have done at a local level to build trust and deepen ties with our local communities. This has yielded results, as demonstrated by local people applying jobs with us and the attendance we see at our community events. Much work remains to be done, and we understand that many identified concerns still need to be addressed. We are committed to doing this and remain firm in our view that with regular engagement, provision of accurate information, effective community-related policies, and by listening more than talking, we will continue to build understanding and acceptance. This will also further reduce the impact of the small group which wishes to stop the Project's development.

Welcoming local stakeholders to our Information Centre in Boticas



Source: Company

CHIEF EXECUTIVE'S REPORT

In the media, thanks to the hard work of our expanded Communications team, we have seen improvement in the balance of coverage the Project receives both within Portugal and elsewhere. Importantly, we have been able to secure more media coverage 'on our terms', i.e. not just where we are being asked to respond to some misinformation or allegation voiced by those against the Project. We are also speaking more regularly on the investment attributes of the Project having received more interest from business journalists. The Project is perhaps too frequently 'big news' in Portugal and given its significance to Europe's energy transition it also attracts good interest elsewhere across print, radio, TV and online. During 2025, we will continue to try to translate this widespread interest into coverage on the Project's many positive attributes including its strong investment case.

Away from the press, we marketed the Company extensively last year to industry participants through the strategic partnering process and at conferences, and to investors via online presentations, roadshows, podcasts and investor events. Already in 2025, we have marketed in the UK, Portugal, Australia and at multiple industry and investor events. More is planned for the remainder of the year as we look to raise awareness of Savannah in key markets and with key stakeholders.

To conclude, the team and I have a very clear job to do, which is to deliver the Project. Our top priority short term goals being completion of the DFS and confirmation of the environmental licence. Alongside that we will continue to strategically build out our team, engage with the European Commission following the 'Strategic Project' classification, re-engage with potential commercial partners and strengthen our position in the local community as a respectful, responsible and supportive organisation.

While the challenges ahead are many, the opportunities are even greater and the team and I am looking forward to pushing ahead as quickly as we can and reporting our progress as we go. Exciting times lie ahead for Savannah and my thanks go to our shareholders and stakeholders for their ongoing support.

Emanuel Proença
Chief Executive Officer

Date: 9 April 2025

ESG REPORT

Savannah continued to develop its ESG commitments during the year, in line with its development of the Barroso Lithium Project. This was demonstrated by the establishment of a sustainability board committee and further increasing staffing in areas such as environmental management, community relations and communications.

We remain determined to demonstrate that a natural resource company, like Savannah, can fit with the conservative perception of an ESG compliant company. We believe we can achieve this through the role we will play in the energy transition and the highly responsible and transparent way we conduct our business and deliver on our goals which include dedicated environmental stewardship, and sustained stakeholder engagement and benefit sharing.

Savannah continued to play an active role in local community events during 2024



Source: Company

Environmental

The Company's principal environmental focus throughout the year was the 'Environmental Compliance Report of the Project Execution' or 'RECAPE' phase of the Project's environmental licencing process. Following submission of the Project's Environmental Impact Assessment and subsequent receipt of the positive Declaration of Environmental Impact ('DIA') from the regulator in 2023, a positive outcome from the RECAPE phase, will confirm compliance with the DIA and allow the Company to complete the environmental licencing for the Project. Savannah can then begin construction (subject to a positive Final Investment Decision and project financing being obtained).

The RECAPE submission needs to demonstrate compliance with the conditions imposed by the DIA, thus allowing verification that the assumptions and expectations associated with the Project's DIA approval are met. In practical terms, the RECAPE instruction requires the updating of several environmental criteria and for this reason it was necessary to develop several studies using field activities, such as:

- **Biodiversity** study – minimising the Project's impact on local Biodiversity (flora and fauna), is a commitment achieved through a combination of close monitoring and specialised advice. For this reason, the specific monitoring programme which was begun in 2023 was continued to update existing data and to generate new data to help better manage the Project's future operational practices.
- **Noise** study – to optimise the existing Noise Management Plan, several exercises were carried out, including noise simulations. The identification of the Company's commitments is necessary so that legal requirements are met and the Project's noise is minimised.
- **Vibration** study – any disturbance caused by blasting will be minimised through the application of best practices and constant monitoring, to keep vibrations below the limits established by legislation. The continuous study of this environmental parameter is essential for a good understanding of the potential impact on the entire area surrounding the Project, so that the Company can respond quickly and effectively in any situation.
- **Archaeology/Heritage** Study – although archaeological and cultural research was conducted during the EIA, ongoing monitoring is required with more targeted and systematic surveys carried out over the past year.

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- **Water** study – as with other environmental parameters, although the baseline reference situation was exhaustively characterised during the EIA, continuous monitoring is also required in support of the RECAPE submission.

Water sampling & rehabilitation of previous drilling locations underway at the Barroso Lithium Project



Source: Company

ISO 14001: 2015 – Environmental Management Systems

In addition to the RECAPE work, the Company started the implementation and certification process for the International Organisation of Standardisation's ('ISO') 14001 standard, an internationally recognised standard for environmental management systems ('EMS'). ISO 14001 provides a framework for organisations to design and implement an EMS and continually improve their environmental performance. By adhering to this standard, organisations, such as Savannah can consolidate its ESG strategy and ensure it is taking proactive measures to minimise their environmental footprint, comply with relevant legal requirements, and achieve its environmental objectives.

The framework encompasses various aspects, from resource usage and waste management to monitoring environmental performance and involving stakeholders in environmental commitments. Alongside, Savannah's specific commitments to the environment and relevant legislation in relation to the Barroso Lithium Project, achievement of the ISO 14001 standard will signal our broader commitment not only to regulatory compliance and ongoing environmental improvement but should also foster greater stakeholder trust as the Company looks to secure additional commercial partners and project financing.

During the year, Savannah began work on the Environmental Management Manual required for the Standard and the other EMS documents required. Together these will describe the organisation, the means and methodologies adopted to ensure effective management of the EMS and to continuously improve our global environmental performance to contribute to the economic pillar of sustainability. In turn this will allow Savannah to have the capacity and means for other sustainability initiatives, in all aspects of its operation.

This systematic approach to environmental management will provide senior management with information to create options to contribute to sustainable development through:

- Protection of the environment, through the prevention or mitigation of adverse environmental impacts
- Mitigating the potential adverse effects of environmental conditions on the organisation
- Supporting the organisation in fulfilling compliance obligations
- Improving environmental performance
- The control or influence of the way in which the organisation's products and services are designed, manufactured, distributed, consumed and given final destination, using a life cycle perspective that can prevent environmental impacts from being unintentionally transferred to other stages of the process life cycle
- Obtaining financial and operational benefits that may result from the implementation of environmentally sound alternatives that strengthen the organisation's position in the market
- Communicating environmental information to relevant stakeholders

ESG REPORT

Essentially, it can be said that by implementing ISO 14001, the company can increase opportunities to prevent or mitigate adverse environmental impacts and increase beneficial environmental impacts, in particular those that have strategic and competitive implications.

The Company expects to complete the certification process later in 2025.

Summary of Environmental protection measures and commitments made at the Barroso Lithium Project:

Consideration	Previous & Recent activities/commitments	Future activities/commitments
Air quality management	<ul style="list-style-type: none"> • Baseline monitoring of local air quality completed. • Annual monitoring of local air quality, during exploitation works on the NOA pit. 	<ul style="list-style-type: none"> • Constant monitoring of local air quality during the operating phase and real-time reporting of data to stakeholders. • Dust suppression through regular dowsing of site roads from water trucks and use of ‘fog cannons’ at plant delivery point. • Future air quality to benefit from targeted reductions to Scope 1 & 2 emissions to net zero and additional reductions to Scope 3 emissions. • Comprehensive action plan prepared to deal with any air pollution incidents.
Biodiversity	<ul style="list-style-type: none"> • Baseline monitoring of local flora and fauna completed plus two seasonal flora and fauna surveys completed for the RECAPE phase of the environmental licencing process. • Survey of local land use completed. • Annual monitoring for the Iberian Wolf completed. 	<ul style="list-style-type: none"> • Rehabilitation and revegetation of impacted areas on the Project beginning during operating phase using native species of plants. • Location of new areas that can be used in the future as offsetting areas. • Ongoing monitoring of key land and aquatic fauna in the area, including the Iberian Wolf.
Carbon abatement	<ul style="list-style-type: none"> • 3rd party Scope 1-3 emissions assessment completed in 2019. Scope 1 & 2 emissions inventory estimate revised and restated in 2022 (see below). • Commitment to move towards net zero Scope 1&2 emissions during operating phase and target additional Scope 3 reductions announced in 2021. • Decarbonisation strategy initiated in March 2022 with study led by the Portuguese environmental consultant, ECOPROGRESSO. First phase of study concluded (announced in Feb 2023): <ul style="list-style-type: none"> ○ Confirmation that battery powered electric mining equipment will provide the most effective and flexible means to reduce Scope 1 emissions at the Project to zero. Scope 1 emissions represent 68% of the Scope 1 and 2 total. ○ The estimate of Scope 2 baseline emissions was reduced by 54% from the original 2019 forecast, based on the potential for a reduction in the estimated power requirement of the Project's plant and a 41% reduction in the emissions associated with Portugal's grid power between 2019 and 2021. 	<ul style="list-style-type: none"> • Decarbonisation studies to be continued. Next steps to include: <ul style="list-style-type: none"> ○ More detailed analysis of the options available for 100% renewable energy provision as part of the Definitive Feasibility Study on the Project. A number of viable options are available to secure 100% renewable energy supply to the Project including regional solar and wind generation, on market purchase, via direct Power Purchase Agreements, or a combination of these. ○ Studies with a number of mining equipment OEMs to determine a site-specific solution for a transition to a battery -operated mining fleet and associated charging infrastructure. • Execution of study findings to deliver on the defined emissions targets through final project design, ongoing optimisation during production.

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Consideration	Previous & Recent activities/commitments	Future activities/commitments
	<ul style="list-style-type: none"> ○ In 2024, staff attended a conference event organised by a leading mine fleet OEM to explore its current and future work with hybrid and fully electric equipment and supporting infrastructure. 	
Land rehabilitation	<ul style="list-style-type: none"> ● Ongoing rehabilitation of areas impacted by previous exploration activities (drill pads and access routes). ● Annual monitoring of the small exploitation works on the NOA deposit. 	<ul style="list-style-type: none"> ● Continue with rehabilitation of previous exploration sites. ● Progressive and comprehensive rehabilitation during and after operating phase using native species to revegetate impacted areas.
Noise & light abatement	<ul style="list-style-type: none"> ● Baseline noise studies completed. ● Annual monitoring of the small exploitation works on the NOA deposit. ● Processing plant location selected to reduce light and noise impact on local communities. ● Time limited; regulated blasting schedule included in project plan. ● No mining activities to take place at night. 	<ul style="list-style-type: none"> ● Execute project design and plans at the relevant time with commitment to operate at or below the night time legal noise limits during both day and night (with the exception of blasting). ● Constant monitoring of noise levels during operating phase and real-time reporting of data to stakeholders and the environmental regulator. ● Noise levels may be further reduced by the introduction of zero-emission mining fleet and other equipment.
Transport management	<ul style="list-style-type: none"> ● Inclusion of new access roads in the Project design to mitigate impact on local communities and minimise use of existing local roads. ● Truck movements during the operating phase restricted to weekdays only and set times during the day. 	<ul style="list-style-type: none"> ● Execute access road plan, avoiding Project traffic passing through local villages and towns. ● Evaluate use of low/zero emission road trucks as part of decarbonisation strategy.
Visual impact abatement	<ul style="list-style-type: none"> ● Visual impact proactively considered in Project design (e.g., processing plant location, road layout). 	<ul style="list-style-type: none"> ● Refine and finalise Project design through the environmental licencing and DFS processes. ● Execute final Project design.
Waste management	<ul style="list-style-type: none"> ● Waste to be minimised through sale of feldspar-quartz product. ● Processing plant waste (tailings) to be dried and stacked on impermeable membrane to avoid risks associated with wet storage in traditional tailings dam. ● Waste rock stored in temporary storage facilities to be used to fill closed pits as part of rehabilitation programme. ● Beginning in the operating phase, permanent waste storage areas to be contoured into existing topography and progressively re-vegetated. 	<ul style="list-style-type: none"> ● Refine and finalise the Project design through the environmental licencing and DFS processes. ● Execute final Project design. ● Comprehensive action plan prepared to deal with any potential pollution incidents.
Water management	<ul style="list-style-type: none"> ● Continued baseline monitoring of local water courses, including surface and underground chemical analysis. ● 3rd party estimate of annual water requirement for operating phase completed. 	<ul style="list-style-type: none"> ● Refine and finalise Project design through the environmental licencing and DFS processes. ● Execute final Project design. ● Constant monitoring of local water quantity and quality both upstream and downstream of the Project area during and post operating phase and real-time reporting of data to stakeholder.

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Consideration	Previous & Recent activities/commitments	Future activities/commitments
	<ul style="list-style-type: none"> • Project to be self-sufficient for water usage through on-site water harvesting, and storage, wastewater recycling and recovery of water from concentrate and waste products. • Lithium recovery process based on use of REACH registered chemicals with low environmental toxicity; will operate at near neutral pH. • Hydrogeological study, including drilling, initiated as part of the RECAPE phase of the environmental licencing process. • Water quantity monitoring on the Covas river both upstream and downstream of the Project area. 	<ul style="list-style-type: none"> • Comprehensive action plan prepared to deal with any potential pollution incidents.
Vibrations management	<ul style="list-style-type: none"> • Monitoring of vibration, during blasting works at the NOA pit. 	<ul style="list-style-type: none"> • Vibration levels to be well below legal limits during operating phase. • Constant monitoring of vibrations during operating phase and real-time reporting of data to stakeholders. • Comprehensive action plan prepared in case the vibrations results exceed what was expected.
Certification/ Standardisation	In 2024, the Company started the implementation and certification process for the International Organisation of Standardisation's ('ISO') 14001 standard, an internationally recognised standard for environmental management systems ('EMS').	<ul style="list-style-type: none"> • Complete the ISO 14001 certification process in 2025.

Social

Local Community Engagement

Savannah continued to place significant emphasis on building a transparent and collaborative relationship with the local community throughout 2024. Guided by the findings from a survey involving 334 community members conducted by Community Insights Group ('CIG') in 2023, the company deepened its understanding of local concerns, particularly regarding the Project's potential impact on water resources, air and soil quality, and the landscape. The survey also revealed the community's interest in sustainable, positive impacts and their desire for clearer communication regarding progress with the Project and outcomes.

In response, Savannah has implemented measures to strengthen community engagement. The cornerstone of this effort has been the Stakeholder Engagement Framework, which outlines principles, strategies, and practices to guide interactions with stakeholders. Complementing this is the Stakeholder Engagement Tool, a resource designed to map stakeholders and facilitate effective communication. A broader Stakeholder Engagement Plan will further structure Savannah's sustained dialogue with the community.

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Savannah hosted a series of community events at its Geology Centre during 2024



Source: Company

The Social Impact Assessment ('SIA'), prepared in collaboration with CIG, remains a central pillar of Savannah's future social strategy. CIG's extensive social surveying work will present findings through this SIA. In Portugal, planning and commitments regarding society and local communities is a key part of a Project's overall environmental licencing process. Hence, the SIA will be part of the RECAPE submission for the environmental licence later in the year.

Savannah has also initiated several community-focused programmes aimed at fostering trust and enhancing the community's quality of life. The Livelihood Restoration Plan under development addresses potential impacts on livelihoods, while a Grievance Mechanism ensures a formal avenue for resolving community concerns. Plans for a Community Development Strategy and a Social Monitoring Programme aim to solidify Savannah's long-term commitment to the community.

The Company has actively sought to build trust through frequent and transparent communication. Regular updates are provided via Savannah's bimonthly community journal, social media channels, and local media engagements such as Savannah's participation to a monthly local radio programme aimed at clarifying questions from the community. Community meetings, informal social gatherings, and guided visits to Project sites have provided platforms for direct interaction with stakeholders. Savannah also strengthened ties with local businesses through partnerships and support for local suppliers.

Demonstrating its commitment to integration, Savannah has sponsored local initiatives such as firewood and electrical generator donations, sports team sponsorships, and support for traditional and religious events. Regular Savannah hosted events at the recently refurbished Geology Centre, including one gathering of over 150 attendees, have reinforced the Company's dedication to fostering meaningful community connections.

Despite these efforts and the considerable progress achieved in 2024, a small but vocal group of opponents, including individuals in community representative roles, continues to challenge the Project. Savannah recognises this as an opportunity to refine its engagement strategies, focusing on providing accurate information and addressing community concerns transparently.

Savannah's proactive approach and ongoing efforts underscore its commitment to creating a lasting, positive relationship with the community, ensuring the Project benefits both the region and its residents while contributing to broader sustainability goals.

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Consideration	Previous & Recent Activities/Commitments	Future Activities
Community Engagement	<ul style="list-style-type: none"> • Operating two Project Information Centres in the local area which are open to the public. • The Land acquisition programme continued with 9 properties acquired during the year taking the total to 106. • Multiple community mapping and survey exercises undertaken including CIG’s survey of over 300 community members in 2023 to deepen the Company’s understanding of local concerns regarding the Project’s potential impact on key environmental parameters. • Hosted Easter community event with 45 participants (March 2024). • Organised warehouse community social events with high participation in May 2024, July 2024 and November 2024, with the latter two events attended by 120 and 150 people respectively. • community meetings held in local parishes, including Canedo, Dornelas, and Vilar, as well as ‘open house’ sessions at the Covas do Barroso Information Centre. • Distributed information leaflets on land acquisition and information sheets on other aspects of the Project to the community. 	<ul style="list-style-type: none"> • More frequent parish-based community meetings are planned as well as other public gatherings to strengthen engagement. • Schedule additional clarification sessions on land acquisition, temporary land easement and compulsory purchase topics.
Community Support	<ul style="list-style-type: none"> • Delivered firewood donations to local families in Covas do Barroso. • Donated an electrical generator to the Hunters’ Association. • Delivered newborn baby gift baskets to Dornelas families. • Sponsored local events including the yearly pilgrimage to Fátima and local sporting events. • Led a large delegation of local people to meet community members living near to Somincor’s Neves Corvo mine in Southern Portugal to learn about the socio-economic benefits that the Project has brought to its local communities. 	<ul style="list-style-type: none"> • Continue social sponsorships and community support initiatives. • Expand local development efforts through a Community Development Strategy, integrating local stakeholders, e.g. the Boticas Agro-Rural Cooperative (Capolib). • Continue to deepen relationships with local stakeholders through multiple channels.
Parish & Community Group engagement	<ul style="list-style-type: none"> • Coordinated with local parishes and municipalities for land access permissions (e.g., Dornelas, Covas, Vilar). • Conducted meetings with local Baldios (community groups) and council representatives regarding Project updates. 	<ul style="list-style-type: none"> • Increase engagement with local authorities to address potential Project-related concerns.

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Consideration	Previous & Recent Activities/Commitments	Future Activities
	<ul style="list-style-type: none"> Hosted targeted discussions with local government representatives to maintain Project transparency and secure agreements for certain types of works to be carried out. 	
Community engagement-related Staff Training	<ul style="list-style-type: none"> Delivered communication and conflict management training to field teams. Conducted internal confrontation training to empower staff in handling community relations. Coordinated with GNR to manage potential community tensions related to field operations. 	<ul style="list-style-type: none"> Expand practical training for staff to ensure the safe execution of operational activities. Optimise protocols for community-facing interactions and Project visits. Provide advanced stakeholder engagement training to staff to improve outreach efforts.
Local Business Engagement	<ul style="list-style-type: none"> Strengthened ties with local businesses and suppliers for all of our social events and community initiatives. Engaged local contractors for land-related work and property negotiations. 	<ul style="list-style-type: none"> Explore further collaboration opportunities with local hospitality businesses. Continue supporting local businesses through contracts and partnerships.
Other Stakeholder Engagement	<ul style="list-style-type: none"> Engaged in discussions with regional partners regarding the development of education and healthcare related initiatives that will directly benefit staff and the broader community. Purchased an electric community van, used to transport staff and community members to and from Project related activities and initiatives. 	<ul style="list-style-type: none"> Expand partnerships with key organisations (e.g., the Boticas Chamber of Commerce (Mais Boticas), Capolib, and the health & welfare charity, Santa Casa da Misericórdia) to enhance community benefits. Establish collaborative monitoring systems with stakeholders.
Community engagement-related staff developments	<ul style="list-style-type: none"> Recruited new Community Relations Manager and Community Relations Advisor to lead on community engagement activities. Continued to recruit support staff from local communities. 	<ul style="list-style-type: none"> Relocation of staff housing to Covas do Barroso for up to 7 staff members, adding to the total number of staff already living in the village. Increase staff presence in local communities through daily interactions.
Other Activities	<ul style="list-style-type: none"> Hosted a documentary film crew for EU funded 'EXCEED' lithium mining research project. Presented on the Social Licence to Operate at EXCEED cluster events. Developed a sponsorship and donation policy, as well as a welcome policy for our information centres. 	<ul style="list-style-type: none"> Finalise and implement organisational policies for community relations. Collaborate with environmental teams for integrated infrastructure projects (e.g., bypass road, north access road, accommodation and housing plan).

Government & other stakeholder engagement

In the normal course of its business, Savannah maintained regular contact with relevant Portuguese ministries and government agencies throughout the year as well as meeting with several Portuguese MPs and representatives of the UK, US, Australian and German Governments among others.

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Savannah attended numerous meetings with community groups during 2024 to provide accurate information on the Project and the benefits it can bring to the local area



Source: Company

Summary of government and other stakeholder interaction and commitments made in relation to the Barroso Lithium Project:

Consideration	Previous & Recent activities/commitments	Future activities
Local Government Engagement	Engagement/Meetings held have included: <ul style="list-style-type: none"> • Mayor of Boticas Municipality. • Mayor of Ribera de Pena Municipality. • Mayors of Dornelas and Covas do Barroso parishes. • Hosted targeted discussions with local government representatives to maintain Project transparency and secure agreements for certain types of work to be carried out. 	<ul style="list-style-type: none"> • Increase engagement with local authorities to address potential Project-related concerns.
National Government/European Union engagement	Engagement/Meetings held have included: <u>European Commission/European Parliament:</u> <ul style="list-style-type: none"> • EC Executive Vice President, Maroš Šefčovič • Head of Unit DG Energy, Paula Abreu Marques • Portuguese Perm. Representation in Brussels – Energy Attaché • Former MEP Carlos Zorrinho (Pt) • Former MEP Cláudia Monteiro de Aguiar (Pt) • Former MEP Paulo Rangel (Pt) 	<ul style="list-style-type: none"> • Continue and increase engagement with key national government ministers & departments, and local administrators. • Maintain contact with British, US, Australian and other relevant Embassies in Portugal. • Maintain contact with European Commission & relevant EU bodies (see Membership section in Governance box below).

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Consideration	Previous & Recent activities/commitments	Future activities
	<ul style="list-style-type: none"> • Former DG Grow Head of Unit, Peter Handley <p><u>Portugal:</u></p> <ul style="list-style-type: none"> • His Excellency, The President of the Portuguese Republic • Minister of Cohesion • Minister of Economy • Minister of Infrastructure • Minister of the Presidency • Deputy Minister for Territorial Cohesion of Portugal • Secretary of State for the Economy • Secretary of State for Energy • Secretary of State for Environment • Secretary of State for Infrastructure • Chief of Staff, Secretary of State for the Environment • MPs from the PSD, CDS, IL and Chega parliamentary parties • Portuguese Ambassador to UK • Former Minister of Environment and Energy Transition • Former Minister for Infrastructure • Environmental regulator (APA) • Infrastructures of Portugal (IP) • Institute for Nature Conservation and Forests (ICNF) • The Northern Portugal Regional Coordination and Development Commission (CCDR-N) • The Directorate-General for Energy and Geology (DGEG) • Portuguese Trade & Investment Agency (AICEP) <p><u>Australia:</u></p> <ul style="list-style-type: none"> • Australian Ambassador to Portugal (visit to Boticas Information Centre) <p><u>Germany:</u></p> <ul style="list-style-type: none"> • Head of Press and Economic Affairs at the German Embassy in Lisbon (visit to Boticas Information Centre) <p><u>UK:</u></p> <ul style="list-style-type: none"> • British Ambassador to Portugal (including visit to Boticas Information Centre) <p><u>USA:</u></p> <ul style="list-style-type: none"> • US Deputy Secretary of State for Economic Growth, Energy & Environment US trade delegations at US Embassy, Portugal 	

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Consideration	Previous & Recent activities/commitments	Future activities
	<ul style="list-style-type: none"> Office of Foreign Investment and National Security, U.S. Department of Energy 	
Local business engagement	<ul style="list-style-type: none"> Became member of Mais Boticas (local Chamber of Commerce). Preference given to local suppliers of goods & services. 	<ul style="list-style-type: none"> Maintain and increase engagement with local suppliers of goods and services. Maintain and increase engagement with suppliers of goods and services across Portugal.
Other stakeholder engagement	<ul style="list-style-type: none"> Attendance at relevant government and trade events in Portugal and elsewhere in Europe. Public consultation phases of EIA completed (April-July 2021, March-April 2023) including public 'in-person' meetings arranged by environmental regulator (2021). Met with the Food and Agriculture Organisation of the United Nations. Media: Conducted over 50 interviews and background briefings during 2024 with journalists from major Portuguese, UK, and international press, TV and radio to reach wider stakeholder groups and the general population and to improve the balance and accuracy in media coverage of the Project. Approximately 200 articles were published on Savannah during the year. 	<ul style="list-style-type: none"> Maintain presence at relevant government and industry events in Portugal, UK and across Europe. Public relations campaigns across multiple media channels in Portugal and beyond to highlight the importance of domestic battery raw material supply in Europe and Savannah's responsible approach to its own lithium operation.

ESG REPORT

Governance & other key metrics:

The Board recognises the importance of sound corporate governance commensurate with the size and nature of the Company and the interests of its shareholders and adopts the provisions of the Quoted Companies Alliance Corporate Governance Code.

Consideration	Recent activities	Future activities
Board Composition	<ul style="list-style-type: none"> • Emanuel Proença was appointed as an Executive Director to the Company's Board of Directors with a commencement date of 15 April 2024 following the successful completion of his 6-month probationary period. • Appointment of two new Non-Executive directors in 2024 including Rick Anthon (Chair) and Mike Connor. Retirement from the Board of Matthew King, Mary Jo Jacobi and James Leahy. • Rick Anthon is a seasoned Lithium industry professional, having worked full time in the Lithium sector for almost 10 years and brings significant industry experience to the Board. • Mike Connor brings highly relevant lithium sector knowledge to the Board, which he has gained while helping AMG (Company's new largest shareholder and strategic partner), build their own lithium business over recent years. • Diogo da Silveira was appointed as the Deputy Chair effective from 25 June 2024 in a new role for the Company. Diogo da Silveira has been instrumental in engaging with Portuguese stakeholders since his appointment, acting as the Company's senior in country representative. • The Company took the decision to postpone the annual board evaluation programme due to the aforementioned Board changes. 	<ul style="list-style-type: none"> • Appointment of Directors to meet the needs identified by the Nomination and Remuneration Committee. • Ongoing annual board performance review.
ESG Reporting	<ul style="list-style-type: none"> • Completion of ESG questionnaires for institutional investors • Creation of Sustainability Committee 	<ul style="list-style-type: none"> • Complete ISO 14001 certification process in 2025 • Adopt relevant international specific ESG standard and commence reporting to relevant standard • The Sustainability Committee's role is ensuring that Savannah adheres to relevant environmental regulations and champions the broader principles of social equity and environmental stewardship.

ESG REPORT

Consideration	Recent activities	Future activities
<p>Membership of industry Trade bodies & Associations</p>	<p><u>Lithium Industry:</u></p> <ul style="list-style-type: none"> • International Lithium Association • British Standards Institute Technical Committee on Lithium Industry Standardisation (UK is a participant member of the International Standards Organisation’s Technical Committee on Lithium Industry Standardisation) <p><u>European Union Associated initiatives:</u></p> <ul style="list-style-type: none"> • Business Investment Platform managed by EIT InnoEnergy • European Battery Alliance • EIT RawMaterials • European Raw Materials Alliance <p><u>European Mining Industry:</u></p> <ul style="list-style-type: none"> • European Association of Mining, Metal Ores & Industrial Minerals ('Euromines') <p><u>Portuguese initiatives:</u></p> <ul style="list-style-type: none"> • Association for the Battery Cluster (founding member) • Mineral Resources Cluster • Business Council for Sustainable Development • Mais Boticas (Chamber of Commerce in Boticas area) • Forest Association of Trás-os-Montes Forestry Association • COTEC Portugal • UK-Portuguese Chamber of Commerce <p><u>UK:</u></p> <ul style="list-style-type: none"> • London Stock Exchange • Quoted Company Alliance 	<ul style="list-style-type: none"> • Maintain current memberships and evaluate membership of additional initiatives which would support our efforts to follow industry best practices and complement other ESG and corporate goals.
<p>Policies and Procedures</p>	<ul style="list-style-type: none"> • Annual online training/ acknowledgement of Company’s Code of Conduct and Anti-Bribery Code (Directors / Employees / Company Consultants). • Revision of Company’s Limit of Authority matrix allowing quicker decisions and less bureaucracy whilst maintaining the relevant controls and team accountability for expenditure and budget controls. • Update of Company’s Financial Reporting Procedure. • Translation of key policies into Portuguese. 	<ul style="list-style-type: none"> • Introduction of policies to reflect the Group’s growing maturity and transition to building and operating a mine. • Introduce policies to reflect the requirements of potential customers or financiers.
<p>Risk Management</p>	<ul style="list-style-type: none"> • Refinement of Group’s insurance coverage in conjunction with leading global brokers, Marsh. • Nomad’s updates to the Board to keep the Directors abreast of governance developments. 	<ul style="list-style-type: none"> • Ongoing enhancement of IT security protocols. • Risk review added as a Board agenda at 2 Board Meetings per year. • Ongoing review of Risk Register.

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Consideration	Recent activities	Future activities
	<ul style="list-style-type: none"> Enhancement of IT security protocols. Regular Risk Register process updates. 	<ul style="list-style-type: none"> Internal audit program targeting 3 entity reviews per year.
Health & Safety	<ul style="list-style-type: none"> Continued to prioritise high standards of Health & Safety and updated the related policies. Zero Health & Safety incidents or loss time injuries reported in 2024 (2023: 0). 	<ul style="list-style-type: none"> Maintain priority focus on Health & Safety and associated staff training.
Staff	<ul style="list-style-type: none"> 40 members of staff as of March 2025 with 70:30 male : female demographic with 7% from minority ethnic groups; currently 51% of project staff are from the local community. 	<ul style="list-style-type: none"> Add to the existing team across the range of disciplines required to develop the Project. Project expected to generate approximately 350 direct jobs during the operating phase, and around 2,000 indirect and induced jobs. Continue to seek opportunities to recruit from the local population and within Portugal.

Operation Influencer

As part of its comprehensive response to the Operation Influencer investigation which was launched by the Portuguese Public Prosecutor in November 2023, Savannah released the findings from an Independent Review and external Legal Opinions in January 2024.

The Independent Review found no evidence which would give rise to liability of the Company in connection with any irregular financial transactions by the Company. It also found no evidence of improper offers or payments, or other forms of wrongdoing by the Company in regard to the questions raised in Operation Influencer associated with past relations with a potential partner, discussions of the bypass road, royalties, or in relation to interactions with national entities in the EIA process under Article 16. No material legal risk was identified related to the allegations outlined in the Investigation.

The Legal Opinions confirmed that, based on the findings of the Independent Review, but also on the functioning of the Portuguese permitting process, past legal experience, and constitutional protections, under no realistic circumstance would the Project's execution and its expected future cash flows be at risk.

Hence, Savannah believes that the conclusions of the Independent Review and the Legal Opinions demonstrate the Company's solid legal position in relation to the allegations contained in Operation Influencer. While the investigation remains open, Savannah had no further meaningful contact with the investigating authorities during 2024 and was free to continue with all its business activities as normal. Savannah has and always will conduct its business in a fully lawful and transparent manner.

STRATEGIC REPORT

Section 414A of the Companies Act 2006 (the 'Act') requires that the Group inform members as to how the Directors have performed their duty to promote the success of the Group, by way of a Strategic Report.

Set out below are the applicable reporting requirements under the Act for the purposes of the Strategic Report, together with guidance to other applicable sections of the 2024 Annual Report, which are incorporated by reference into the Group's Strategic Report.

Principal Activities, Fair Review of the Business and Future Developments

The following table provides summary reviews of the principal activities of the Group in the year, financial results and potential future developments. The comments below build on the commentary provided in the Chairman's Statement and Chief Executive's Report:

The Barroso Lithium Project, Portugal (100% Savannah)

Activities undertaken

- **Exploration and Evaluation:** The first phase of the DFS and environmental licence-related drilling programme, which had begun in October 2023 was completed in May 2024 with 67 holes drilled for a total of 6,154m. The programme provided data for JORC Resource modelling, geotechnical, metallurgical and hydrogeological studies, which are required for the DFS and environmental licence. Highlights from the programme included; a new JORC Resource for the NOA orebody, in which 93% of the total 0.66Mt resource was classified in the Indicated Category (previously 67%); and the highest drill intercepts ever recorded at the Project, at the Pinheiro orebody, 76m at 1.85% Li₂O from 24m in 24PNRRCO24 which included 39m at 2.21% Li₂O from 38m and 1m at over 3.53% Li₂O from 62m.

Commencement of the c.13,000m second phase of the drilling programme was delayed due to the need for a temporary land access order (the 'Order') to allow fieldwork on land which is not currently owned by Savannah. The Order was received in December 2024, and preparation of multiple drill pads was started immediately. Drilling commenced in January 2025 and as at 31 March 2025, 57 holes have been drilled for a total of 6,204m.

While awaiting the Order, Savannah's technical team conducted a surface exploration programme over a number of targets at the western end of the C-100 Mining Lease and on Block B of the Aldeia Mining Lease. In total 110 samples were collected. On the C-100 Lease, extensions to the known lithium mineralisation at Carvalha da Baccora and Altos dos Cortiços were confirmed, increasing the potential of these areas with significant lithium mineralisation from rock chip samples including 1.66% Li₂O, 1.5% Li₂O, 1.75% Li₂O and 1.46% Li₂O from Carvalha da Baccora; and 3.01% Li₂O and 1.9% Li₂O from Alto dos Corticos. On Block B of the Aldeia Lease sampling highlighted multiple new lithium bearing pegmatites which are beyond Savannah's initial estimation including 2.11% Li₂O and 1.32% Li₂O (rock chips) and 6m @ 1.39% Li₂O from Trench 1, 14m @ 1.01% Li₂O from Trench 1b, and 4m @ 2.08% Li₂O and 4m @ 2.62% Li₂O from Trench 2 (channel samples).

Importantly, all of these results come from targets which have received little or no significant exploration work to date and are separate to the Project's five existing orebodies, all of which themselves have known extensions which are still to be fully defined. Hence, it is clear that Barroso Lithium Project remains highly prospective for further spodumene lithium resource delineation beyond the current 28Mt at 1.05% Li₂O JORC Resource.

The first Light and Detection ('LIDAR') drone survey was also conducted over the Project and identified several historical tin mining areas hidden by dense vegetation. Savannah will follow up these targets as at Grandão and Pinheiro, zones of historical mining indicate a possible association between the spodumene and tin bearing pegmatites. Furthermore, as our experience on the C-100 licence has shown, the full extent of the mineralisation is easily underestimated from outcrops alone. For example, at Grandão, outcropping pegmatite is found mainly at the top of the hill with no indications of subsurface continuity. Through subsequent drilling however, Grandão has now been delineated as the largest orebody at the Project.

While the focus will remain firmly on the many workstreams required for the DFS and the Project's startup, Savannah will continue to develop these, and other, additional exploration targets at the same time. This will ensure a pipeline of opportunities to increase the Project's existing resources and life of

STRATEGIC REPORT

Activities undertaken

mine over time.

- To meet an ongoing condition of the existing mining lease, a small amount of mining was also undertaken during the year from the existing workings at the NOA deposit.
- **Environmental Licencing Process:** The Project is at an advanced stage in Portugal's multi-phased environmental licencing process. Since passing the major milestone in the environmental licencing approval process in May 2023, when Portugal's environmental regulator gave a positive 'Declaration of Environmental Impact' ('DIA') to Savannah's Project design, the team has been working towards the submission required for the next phase in the process, the Environmental Compliance Report of the Execution Project ('RECAPE'). In this phase, Savannah is required to confirm that the Project's final design, details of which will largely be drawn from the DFS and associated studies, meets the conditions attached to the May-23 DIA approval.

Savannah expects to make its RECAPE submission to the regulator before the end of 2025. The regulator then has 50 working days to review the submission and publish its conclusion. If the submission is approved ('DCAPE'), the Project's final environmental title can then be awarded.

The RECAPE instruction requires the updating of several environmental criteria and for this reason it was necessary to develop several studies to assess key environmental and social parameters including, biodiversity, hydrology and hydrogeology, noise, vibration and archaeology/heritage. During the year, Savannah conducted a range of desk and field-based activities to increase the already extensive pool of existing data on these parameters so that future operational practices ensure that impacts are mitigated and reduced and that all legal requirements are met as minimum standard.

- **Other Licencing processes:** Once the RECAPE submission has been approved and the resulting DCAPE declaration has been made, and the environmental licence received, Savannah will then be able to apply for the remainder of the licences required for the Project's development and operation. These licences cover permissions for construction and use of services on site such as power. Permits will also be required for the proposed new road sections which are included in the revised Project design to further limit traffic impact on local communities.

During the period Savannah remained engaged with key stakeholders in these licencing processes including the government agencies, APA and DGEG, ministers and Secretaries of State.

- **Definitive Feasibility Study:** The DFS is a comprehensive technical and economic study of the proposed Project and will include among other elements; an updated JORC compliant Resource for the Project as well as its maiden JORC compliant Reserve estimate; final designs for the site's layout and associated infrastructure; schedules for mining, processing, storage of processed materials; commodity market studies; and capital and operating cost estimations and a cashflow model.

Details of the drilling and other fieldwork undertaken in relation to the DFS are given in the Exploration and Evaluation section above.

Away from the field, Savannah and its group of technical consultants, made progress on other aspects of the DFS including:

- **Site layout:** The locations for the processing plant, pits, waste dumps, tailings and water storage facilities, roads and HV power infrastructure were finalised.
- **Mining:** Pit and waste dump designs were completed pending finalisation of geotechnical assessment. Mine scheduling was also completed.
- **Processing Plant:** The process flowsheet was finalised and feasibility design/3D model development was significantly advanced.
- **Procurement:** Budget quotations for all significant mechanical equipment were requested and received, while quotations requests for electrical equipment, steel/pipe fabrication and installation contracts were prepared for subsequent tendering.
- **Tailings and Water Storage:** The preliminary designs were completed for the Tailings Storage Facility, water reservoirs and environmental control dams.

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Activities undertaken

- **Hydrogeology:** The site investigation work including drilling of water bores and pump testing was completed and hydrogeological modelling was advanced.
- **Infrastructure:** The studies and design work for the Project's supporting infrastructure are now well advanced, with excellent progress made on several fronts including:
 - **Site (Northern) access Road:** Preliminary design work on the northern access road, which will directly link the Project to the new Boticas bypass road and ultimately the national highway network, has been completed and is under consultation with the relevant government agencies and stakeholders prior to geotechnical field work for the final design.
 - **Bypass Road:** The Environmental Impact Assessment and accompanying Preliminary Design report for the 16km bypass road will be submitted to Agência Portuguesa do Ambiente, the Portuguese Environmental Agency during April 2025. The bypass will join to the west with the national road R311 to subsequently link to the Project's proposed northern access road, and to the east with the A24 motorway that provides access to the Inner North Freeway, towards the main port facilities.
 - **Internal haul roads:** Preliminary design of the Project's internal haul roads is in progress.
 - **HV Power:** Preliminary design for the revised powerline layout and associated substation has been completed and the DFS level design and permitting commenced.
- **Decarbonisation Study:** In March 2022 Savannah announced the initiation of a Decarbonisation Strategy to support its goal of producing a net carbon zero lithium product from the Project. By setting this goal Savannah is helping to minimise the carbon footprint associated with the European lithium battery value chain, thus maximising the environmental benefit these batteries can bring.

In the study work to date, two main sources of emissions from the Project have been identified, the mining fleet (Scope 1 emissions) and the processing plant (Scope 2). Scope 1 emissions represent 68% of the Scope 1 and 2 total.

During the year, Savannah continued to explore opportunities to transition the Project's initial mining fleet which is expected to be diesel due to the lack of availability of correctly sized low/zero emission vehicles in 2027, to technologies that will allow a significant reduction in carbon emissions. Activities included attending a conference event organised by a leading mine fleet OEM to explore its current and future work with hybrid and fully electric equipment and supporting infrastructure.

The processing plant will be powered through the Portuguese national electrical grid. In 2024, renewable energy sources accounted for 80.4% (45.6 GWh) of all electricity generated (source: APREN). Hence, Savannah's goal of securing 100% renewable energy supply to the Project and reducing its Scope 2 emissions to zero, should be achievable via on market purchasing, direct Power Purchase Agreements, or a combination of these options.

In regard to Scope 3 emissions, Savannah has also begun to engage with transport and haulage contractors to research the options available now and in the future for low/zero emission transport of raw materials and finished products to and from site.

During 2025, Savannah will continue with its studies into the decarbonisation of the Project in parallel with the ongoing DFS work.

- **Government Engagement:** As part of its overall stakeholder engagement activities, efficient working relationships with key actors in government, including Ministers and Secretaries of State, and in relevant government agencies is important to Savannah as it progresses the Project.

STRATEGIC REPORT

Activities undertaken

Following the start of the Operation Influencer investigation in November 2023, there were additional engagement challenges created during 2024, with changes of counterparties in multiple key government roles. Most significantly, this included the change in central government following the March 2024 General Election in which the centre-right Democratic Alliance, led by Luís Montenegro formed a centre-right minority government, replacing the previous majority government of the Socialist Party. Through this hiatus, Savannah was effective in first re-establishing relationships with key members of the former government, local government and government agencies following Operation Influencer prior to the election, and then following the election, in developing relationships with the new incumbents within the new government and other government entities from April onwards. Furthermore, the ongoing political support for Portugal's new lithium industry and the Project specifically, was demonstrated during the year. In September a parliamentary vote following the lodgement of an anti-lithium development petition and debate, saw only 14 out of 230 MPs (6%) vote to try to restrict Savannah's Project. Then, in December, the Government published the temporary land access order, which has allowed Savannah to enter land it does not currently own at the Project to conduct fieldwork vital to the completion of the DFS and environmental licencing process.

Looking ahead, Savannah will continue to strengthen its working relationships with all levels of government and the key government agencies. With local elections set to take place later in the year, and the current Boticas Municipality leader unable to stand again following two terms in office, the Company will look to build a strong and mutually beneficial relationship with his successor.

- **Community Engagement:** Guided by the findings from a survey involving 334 community members conducted by Community Insights Group ('CIG') in 2023, the company deepened its understanding of local concerns, particularly regarding the Project's potential impact on water resources, air and soil quality, and the landscape. The survey also revealed the community's interest in sustainable, positive impacts and their desire for clearer communication regarding Project progress and outcomes.

Savannah has implemented measures to strengthen community engagement. The cornerstones of this effort are the Stakeholder Engagement Framework, the Stakeholder Engagement Tool, the Stakeholder Engagement Plan and the Social Impact Assessment being prepared in collaboration with CIG.

Savannah has also initiated several community-focused programmes including a Livelihood Restoration Plan, a Grievance Mechanism, Community Development Strategy and a Social Monitoring Programme.

Regular updates to community members have been provided via Savannah's bimonthly community journal, social media channels, and local media engagements such as Savannah's participation to a monthly local radio programme aimed at clarifying questions from the community. Community meetings, informal social gatherings, and guided visits to Project sites have provided platforms for direct interaction with stakeholders. Savannah also strengthened ties with local businesses through partnerships and support for local suppliers.

Savannah has sponsored local initiatives such as firewood and electrical generator donations, sports team sponsorships, and support for traditional and religious events. Regular Savannah hosted events at the recently refurbished Geology Centre, including one gathering of over 150 attendees, have reinforced the Company's dedication to fostering meaningful community connections.

- **Strategic Partnering Process/Commercial discussions:** The first phase of the 'Strategic Partnering Process' which was initiated in July 2023 was concluded in June 2024 with the announcement of established lithium industry player, AMG Advanced Critical Materials ('AMG') as Savannah's first strategic partner on the Project. With an equity investment of GBP16m at a price of 4.67p (representing a 35% premium to the 30-day VWAP at the time), AMG became the Company's largest shareholder with a 15.77% stake.

The partnership also includes an offtake heads of terms agreement (the 'Offtake HoT') through which, once final agreements are negotiated and signed, AMG can purchase 45ktpa of spodumene concentrate from the Project (approximately 25% of total) over 5 years based on prevailing market prices at the time.

STRATEGIC REPORT

Activities undertaken

This offtake can be increased to 90ktpa over 10 years if AMG helps Savannah to secure a 'full financing solution' for the Project. The first outcome of this financing activity was announced in December 2024, with confirmation from Euler Hermes AG, the export credit agency acting for the German Government, that due to the offtake with AMG feeding a critical raw material into the German economy, the Project is eligible for a German Government backed guarantee on a loan up to USD270 million.

Savannah can also benefit from AMG's expertise in the sector and is deepening its relationship with its partner via the presence on the Company's Board of Mike Connor, AMG's Chief Corporate Development Officer and a Board member. An additional Co-operation agreement between the parties will see the companies work together on a number of mutually beneficial opportunities including a study for the construction of a Spodumene-to-Lithium Carbonate refinery in Portugal or Spain.

Looking ahead, having retained 100% ownership of the Project and with at least 50% of the Project's future spodumene concentrate unallocated, Savannah has significant leverage with which to form further strategic partnerships. As Savannah moves through the current 'study' phase of the Project's development and towards a Final Investment Decision, it expects to engage with further industry players.

- **Ceramics by-products:** Savannah continues to engage with significant potential customers/partners in the ceramics industry for the Project's feldspar-quartz and mica by-products. The Company is also executing an independent product characterisation and market study with a reputable Portuguese consultant.

Fair review of business

A review of the Group's performance during the period and prospects is included in the Chairman's Statement and the Chief Executive's Report.

Principal Risks and Uncertainties

At Savannah Resources, effective risk management is fundamental to achieving our strategic objectives and creating long-term value for our stakeholders. Our approach to risk management is proactive, comprehensive, and aligned with our core values of safety, respect, integrity, excellence, and sustainability.

Our approach

The Board has identified various risk factors which taken individually or together may have a materially adverse effect on the Group's business. The principal risks and how they are managed are as follows:

- Attraction and Retention of Key People
- Commodity Price Risk
- Country Risk
- Cyber Risk
- Environmental Permitting Risk
- Future Funding Requirements
- Global and Regional External Shocks
- Licence & Title Risk
- Natural Resource Project Development & Construction Risk
- Social Licence Risk

Risk management enhancements

In 2024, we made incremental improvements to our risk management approach:

- Refinement of the Company's risk register
- Quarterly risk review meetings with Management

Risk appetite

The Company's risk appetite is calibrated to balance our growth ambitions with prudent management practices across key areas of our business, including funding, governance, regulatory compliance, environment, community, and health and safety.

STRATEGIC REPORT

Principal risks

This risk table reflects the current status of the Company's risk landscape. This aligns with the Company's focus on responsible development, environmental stewardship, and community engagement, as discussed throughout the annual report.

The Board has identified various risk factors which taken individually or together may have a materially adverse effect on the Group's business. The principal risks and how they are managed are as follows in alphabetical order:

Risk Category	Description	Potential Impact	Key Mitigating Action	Risk Trend
Attraction and Retention of Key People	Company Culture / Human Resources Planning - Execution of Company Business Plans	<ul style="list-style-type: none"> • Poor employee engagement results in moderate to high staff turnover impacting the Company's ability to deliver the BLP and being respected in the Community. • Company not having in place the relevant personnel to successfully execute transition from exploration to the operational/revenue stage. 	<ul style="list-style-type: none"> • Development of salary benchmarking across the Group. • Embrace and re-enforce the Company's culture (focus on teamwork, mutual respect and getting things done). • Focus on skill gap analysis and develop plan. • Implementation of (at least) annually succession planning for the Board plus the CEO and his direct reports. • Ensuring appropriate remuneration policies are in place. 	↔
Country Risk	Country Risk	<ul style="list-style-type: none"> • Sovereign and Political Risks. 	<ul style="list-style-type: none"> • Company Project resides in Portugal (member of EU). • Portugal operates within the framework of the EU. • Company maintains working relationships at all levels with all stakeholders (government/ administrative bodies / local communities). • Actively monitoring of relevant political and regulatory developments. 	↔
Cyber Risks	Addressing Social and Physical Barriers	<ul style="list-style-type: none"> • Cyber Attacks &/or Failure of IT/Energy/Infrastructure impacting the Company's ability to operate. 	<ul style="list-style-type: none"> • Management and the Company's third party IT security provider periodically review Company's IT systems and implement agreed recommendations 	↔
Environmental Permitting Risk	Portuguese Prosecutors/Operation Influencer	<ul style="list-style-type: none"> • Possibility that Operation Influencer can affect the Company's Share Price and ability to raise Project Finance owing to its link to the DIA. 	<ul style="list-style-type: none"> • External investigation and legal opinions completed. • Communication to the markets on the solid legal standing. • Future communications 	↓

STRATEGIC REPORT

Risk Category	Description	Potential Impact	Key Mitigating Action	Risk Trend
			will commence when a development is reported (this could be several years).	
Future Funding Requirements	Budget Management	<ul style="list-style-type: none"> Company running out of money or suffering a liquidity crisis. 	<ul style="list-style-type: none"> Maintaining a detailed Company cash flow forecast. Regular presentations to the Board (variance to budget, cash projections reporting). Management planning on when the Company will need additional funding. 	↓
Future Funding Requirements	Fundraising and the ability to raise funds	<ul style="list-style-type: none"> Availability and appropriateness of future sources of funds / Company running out of money to meet its ongoing day-to-day operations and execution of BLP. 	<ul style="list-style-type: none"> Identification of appropriate funding solutions (including debt, equity, grants). 	↔
Future Funding Requirements	Project Delays	<ul style="list-style-type: none"> Adverse impact on the Company's cash availability and its ability to execute the Project (including delay to production impacting future cash inflows) which is caused by missing the Project timelines deliverables. 	<ul style="list-style-type: none"> Regular review on Project timeline. Securing land access to enable Project execution. Planning for timely delivery of key DFS deliverables. 	↔
Global and Regional External Shocks	Pandemics / Energy Crisis / Inflation / Military Conflicts	<ul style="list-style-type: none"> Potential impact on worldwide economy and Group's financial outlook. 	<ul style="list-style-type: none"> Maintaining a minimum cash balance to mitigate against potential adverse impacts. Monitor global news events. 	↔
Licence & Title Risk	Winning and Retaining Legal Approvals to Operate (Local Level, Land)	<ul style="list-style-type: none"> Land Access Restrictions delaying BLP progress (including Immediate Land Access Restrictions delaying BLP progress Compulsory acquisition approval taking longer than expected by the Government North access road construction to be delayed). 	<ul style="list-style-type: none"> Continuation of efforts to reach amicable agreements with private landowners and Baldios. Award by Portuguese state of a temporary land easement order. 	↔
Natural Resource Project Development & Construction Risk	Conversion of Scoping Study assumptions into DFS	<ul style="list-style-type: none"> Any critical inputs of the scoping study (Capex, Opex, AMD, recoveries, etc.) being proven flawed with DFS work, with effects on competitiveness and executability of our Project. 	<ul style="list-style-type: none"> Initial formal review conducted by the Technical Team to identify areas of review and develop appropriate actions. 	↔

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Risk Category	Description	Potential Impact	Key Mitigating Action	Risk Trend
Social Licence Risk	Portuguese Relationships/Community Licence to Operate	<ul style="list-style-type: none"> Poor Relationship with Local Community impacts Company social licence to operate and secondary permitting. 	<ul style="list-style-type: none"> Continuation of liaison with the Boticas, Covas, Valar, Canedo and Dornelas communities. Community Relations Manager appointed Development of relationships with local communities via the Stakeholder Management Plan. Further development of Company interaction with stakeholders and communication. 	↔
Social Licence Risk	Legal Claims against the Company	<ul style="list-style-type: none"> Successful or pending litigation against the Company adversely impacting the validity of its licensing or land access rights or other impacts restricting the Company's operations and ability to do Project Finance or otherwise fundamentally derail the Project. Including any fundamental failings in governance or controls procedure that could lead to a lawsuit with something solid behind it. 	<ul style="list-style-type: none"> Support from specialist legal advisers Policies and procedures in place to ensure compliance with applicable laws. 	↔

Risk Trend Key:

↑ Increased risk, ↓ Decreased risk, ↔ Stable risk

'Lawfare' is a common tool used by parties seeking to disrupt Project developments, and the following legal cases are ongoing:

Case	Case Summary	Plaintiff	Defendants	Counter Interested Parties	Status Update
C-100 Mining License Amendments (Commenced April 2023)	Claim aims to declare null the administrative acts regarding the Exploitation of "Mina do Barroso" Project, signed in 2016, invoking administrative irregularities performed by the Ministry of Economy.	Parish of Covas do Barroso.	Ministry of Environment (originally the Portuguese State and the Ministry of Economy)	Savannah	<ul style="list-style-type: none"> Once the pleadings have been submitted, the case is awaiting further proceedings, namely the scheduling of a hearing for discussion and judgement. Based on the opinion from our legal advisers this case is without merit.

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Case	Case Summary	Plaintiff	Defendants	Counter Interested Parties	Status Update
Covas Baldios Land Border Dispute (Commenced June 2022)	Claim aims to challenge the registration of certain areas and limits of certain parcels of 6 land properties in the C-100 area	Baldios of Covas do Barroso	Savannah and 6 other private owners	N/A	<ul style="list-style-type: none"> Once the pleadings have been submitted, the case is awaiting further proceedings, namely the scheduling of a hearing for discussion and judgement. Any adverse outcome can be resolved via the compulsory acquisition route.
Administrative Claim Against the favourable DIA (Commenced September 2023)	Claim aims to declare null the administrative acts regarding the Declaration of Impact Assessment, issued by APA on 30 May 2023	Parish of Covas do Barroso	Ministry of Environment and APA	Savannah	<ul style="list-style-type: none"> All the Defendants, including Savannah Lithium Unipessoal, Lda., have already lodged their defences, and the case is awaiting further proceedings. Based on the opinion from our legal advisers this case is without merit.
Administrative Claim against the Temporary Land Easement (Commenced in February 2025)	Claim aims to declare null the administrative acts regarding the Temporary Land Easement, made official by the Government on 6 December 2024	3 Private Landowners	Ministry for the Environment	Savannah, DGEG, Covas Parish, Baldios and the other private owners in the Temporary Easement Process	<ul style="list-style-type: none"> The suspension was lifted 15 days after it started, because the Minister of Environment issued a "Reasoned resolution", which reversed the suspension (In the meantime, both Savannah and the Ministry of Environment lodged their opposition to the lawsuit). Based on the opinion from our legal advisers this case is without merit.

Analysis of the Development and Performance of the Business

This information is contained in the Chairman's Statement, and the Chief Executive's Report.

Analysis of the Position of the Business

This information is contained in the Chairman's Statement, and the Chief Executive's Report.

Key Financial Performance Indicators and Milestones

Our key performance indicators ('KPIs') help the Board and Executive Management assess performance against our strategic priorities and business plans.

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Analysis Using Key Financial Performance Indicators and Milestones:

KPIs	Description	Performance
Cash balance (for exploration, development and going concern purposes)	Cash balance available to continue with the activity of the Group.	<p>At the reporting date the Group's available funds in bank was GBP17.7m (2023: GBP9.7m). The major source of cash funding during the year was the 2023 year-end balance and the GBP16m gross equity investment made by AMG at 4.67p/share in June as part of the Strategic Partnership between the two companies.</p> <p>The Directors believe that the Group's Barroso Lithium Project is attractive and are confident that funding will continue to be secured and that it is appropriate to prepare the Financial Statements on a going concern basis. See Going Concern section in Note 1 for further details.</p>
Subscription and placing of shares	To continue with its operating activities as an active and growing mineral development group, the Group has raised funds from the market.	The Company placed 342.6m new ordinary shares of 1p with AMG in June 2024 at a price of 4.67p (representing a 35% premium to the 30-day VWAP at the time) as part of its first strategic partnership in relation to the Barroso Lithium Project. As a result, AMG became the Company's largest shareholder with a 15.77% stake.
Share price	The price reflects the value of the Group as determined by the free trading of its ordinary shares on public stock exchanges such as the Alternative Investment Market of the London Stock Exchange.	<p>From an opening price of 2.1p, there was a modest improvement in the Savannah share price during trading in early January as the impact of the Operation Influencer hiatus, which had begun in early November 2023 appeared to reduce. This lessening impact was further underlined by Savannah's comprehensive statement on the matter in late January following receipt of a full independent legal assessment which concluded that there was no evidence of wrongdoing by the Company. However, with little change in the underlying lithium price, which had seen a fall of over 80% during 2023, Savannah's share price began to fall back in parallel and reached a low for the year of 1.5p during trading on 19 February.</p> <p>From this point, the share price saw a rapid reversal as the Company released positive news flow around drilling, its Strategic Partnering Process, and the arrival on the register of Portuguese investor, Mario Ferreira, as a significant shareholder. The sector as a whole was also helped by the start of a partial recovery in lithium commodity prices. As a result, the share price rose by c.130% from the year's low to reach 3.45p on 25 March.</p>

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KPIs	Description	Performance
		<p>While the share price didn't continue to parallel the ongoing recovery in lithium prices during the Spring, having broken back through the 3p level, Savannah's share price was well supported during April, May and early June by the improved sentiment towards lithium combined with an increase in its own marketing activities, and traded in a tight range between 3.2-3.55p from 22 March to 3 June. The first half of June then saw the share price improve again, peaking at the year's high of 5.0p during trading on 20 June following the announcement of Savannah's strategic partnership with AMG and the GBP16m accompany placing at 4.67p/share.</p> <p>Despite, Savannah's significantly strengthened position following the start of the partnership, with the underlying lithium price recovery now reversing, the share price eased back and experienced some volatility during July (touching 3.7p on 19 July). From a price of 4.0p on 1 August, the share price entered a tight trading range between 3.9-4.1p for the next 4 months. With the underlying lithium price continuing to fall, going below the opening price in January by late summer, and news flow from the Company relatively light as it waited for temporary land access to be awarded for the second phase of its DFS drilling, this relatively tight trading range represented a robust performance.</p> <p>Pleasingly, Savannah was able to break out of this range in early December with the award of the temporary land access order, and the return to the field to prepare for the restart of drilling in January 2025. A modest recovery in the lithium price over the final quarter also assisted and allowed Savannah to finish the year at 4.35p, representing a 107% rise during the year (vs. -9% in 2023). This made Savannah one of the best performing stocks in the lithium sector.</p>
Investment in Exploration & Evaluation Assets ('E&E Assets') and Property, Plant and Equipment ('PPE')	As an active and expanding mine development group, the investment in E&E Assets and PPE Assets can show the volume of activity which is adding value.	During 2024 the Company continued its investment in exploration activity, which was dominated by the first phase of the DFS-related drilling and other DFS and environmental licencing related field activities and studies. The increase in E&E Assets, net of foreign exchange adjustments, was 18% year-on-year at GBP3.2m (2023: GBP2.2m). During the period there was no significant Property, Plant and Equipment acquisitions.

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Analysis Using Other Key Performance Indicators and Milestones:

KPIs	Description	Performance
Project pipeline	As an active mineral development group, Management is up to date on the changes in the market and looking for new opportunities to increase the potential of the Company.	In recent years there has been (and continues to be) an increase in the importance of the lithium-ion battery market. This has significantly positively impacted global lithium demand with projections showing further significant increases over the coming decades. In 2016 the Group started its investment in lithium projects with the acquisition of exploration licences in Finland (subsequently relinquished). Following the acquisition of the Barroso lithium Project in the north of Portugal in 2017 (100% ownership achieved in 2019), the Group has the potential to become a significant spodumene lithium producer in Europe. While the near-term focus of the Company is on the development of the Barroso Lithium Project, one of Savannah's longer-term goals is to further develop its business in the Iberian Peninsula. To this end, it actively assesses potential lithium exploration targets in the area and expects to participate in the long-awaited lithium exploration tender process in Portugal when it is launched by the Government.
Mining Lease & Licencing Applications	As a mineral development company, the grant of mining leases as a precursor to commencement of production is a significant milestone.	<p>The C-100 Lease: A 30-year Mining Lease was granted on the Project in 2006 to a previous owner. The licence can be extended for a further 20 years from 2036. To be allowed to execute its plan of developing a spodumene mine and concentrator operation on the Lease, Savannah is required to obtain a new Environmental Licence for the Project and associated licences covering areas such as construction and use of services on site (power, water, etc).</p> <p>Aldeia Lease: In December 2024, the 'Aldeia' or 'C-190' Mining Lease application was awarded over the 3 block 'Aldeia' area to its current owner, the Portuguese company Aldeia & Irmão, S.A.. The new Mining Lease, which is adjacent to the C-100 Lease has an initial duration of 25 years and can be extended twice, initially by a further 15 years and then by a further 10 years.</p> <p>Environment Licence: In June 2020, the Group submitted a new Environmental Impact Assessment and Mine Plan to APA, the Portuguese environmental regulator, for the Barroso Lithium Project as part of the overall licencing process for the Project. That submission was made public in April 2021 and underwent a public consultation between April and July of that year. In July 2022, the Regulator recommended that the review process enter an additional phase of evaluation under Article 16 of the relevant EIA legislation during which Savannah could meet with the Regulator's Evaluation Committee, receive feedback on its original design and be given 180 working days to</p>

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KPIs	Description	Performance
		<p>revise and resubmit its EIA. Savannah agreed to this proposal and resubmitted its EIA on 16 March 2023. As required under the legislation, the regulator announced its decision on the resubmitted EIA within 50 working days of it being submitted. That decision was positive, with the Project EIA being approved by APA (DIA awarded) with conditions attached that must be met in the Project's final design and operating practices, which Savannah agreed to.</p>
Mineral resources	<p>As a mineral development company, the reporting of satisfactory mineral resource estimates is a key indicator of the potential of the Group and its projects.</p>	<p>As of May 2024, the JORC resource estimates at the Barroso Lithium Project are:</p> <ul style="list-style-type: none"> • Lithium: Measured Resources of 6.6Mt @ at 1.1% Li₂O; Indicated Resources of 12.1Mt @ at 1.0% Li₂O; and Inferred Resources of 9.3Mt @ at 1.1% Li₂O for a total of 28.0Mt at 1.05% Li₂O containing 293,100t of Li₂O. The additional Exploration Target¹ remained unchanged from 2019 at 11.0-19.0Mt at 1.0%-1.2% Li₂O • The by-products (Grandão deposit only) JORC resource remained unchanged from 2019: Measured resources of 7.1Mt at 32.6% quartz and 42.8% feldspar, Indicated Resources of 6.3Mt at 34.6% quartz and 42.6% feldspar; and Inferred resources of 1.0Mt at 30.9% quartz and 40.3% feldspar for a total Mineral Resource of 14.4Mt at 33.4% quartz and 42.6% feldspar containing 4.79Mt of quartz and 6.11Mt of feldspar
Economic Studies	<p>Satisfactory completion of economic studies is a key indicator of the viability of the Group's mine development projects.</p>	<p>Following the positive DIA decision from the environmental regulator in May 2023, the Company produced a new Scoping Study on the Barroso Lithium Project, based on the approved design, in June 2023. The Study returned a post-tax NPV (8% discount rate) of USD953m, an IRR of 77% and a post-tax payback period of 1.3years.</p> <p>Savannah restarted DFS-related fieldwork in the second half of 2023, including a two-phase drilling programme. The first phase of drilling which took place between October 2023 and May 2024, totalled 6,154m across 67 holes to gather data for resource, geotechnical, metallurgical and hydrogeological studies. Preparation for the second phase of the drilling programme began in December 2024 and as at 31 March 2025, 57 holes for 6,204m have been drilled. With work on other aspects of the DFS running in parallel to the fieldwork, the Company expects to complete the DFS by the end of 2025.</p>

¹ Cautionary Statement: The potential quantity and grade of the Additional Resource Targets is conceptual in nature, there has been insufficient prospecting work to estimate a mineral resource and it is uncertain if further prospecting will result in defining a mineral resource.

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Section 172(1) Statement

The following disclosure describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the Directors' Statement required under section 414CZA of the Companies Act 2006.

The table below sets out our key stakeholder groups and how we engaged with them during the year:

Stakeholder Group	Importance of engagement	How did the Board and/or Management engage
<p>Industry trade bodies & associations</p> <p>A list of the relevant industry trade bodies and associations of which Savannah is pleased to be a member can be found in the Governance table in the ESG section and on the Company's website.</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> Trade associations can offer industry specific networking, training and education, technical advice, and support in interactions with governments, government departments, agencies, regulators, the media, and other stakeholders. <p><u>For trade associations:</u></p> <ul style="list-style-type: none"> Interacting with Savannah offers a trade association another source of industry expertise; an opportunity to extend its network and reach, and an additional source of income and sponsorship. 	<p>During the year members of the Savannah team regularly interacted with representatives from relevant trade associations including at formal meetings, conferences and other events arranged by the associations.</p>
<p>Shareholders/Investors</p> <p>A table of significant shareholders can be found on the Report of the Directors section and on the Company's website</p> <p>Key metrics are:</p> <ul style="list-style-type: none"> Cash Investment in Exploration & Evaluation Assets Share price <p>The Company has not issued additional investment instruments beyond shares and share options, such as corporate bonds, and therefore has no other class of investors</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> To maintain access to capital in support of achieving the Group's stated business objectives. To receive feedback/ advice/ assistance on performance and execution of the Company's business plan. <p><u>For the Shareholder/Investor:</u></p> <ul style="list-style-type: none"> To be kept informed on the Company's performance, changes to strategy and other developments To assist ongoing investment decision making 	<p>The key means of engagement with shareholders include:</p> <ul style="list-style-type: none"> The Annual General Meeting (in person). Investor roadshows (in person) Regular online investor meetings/presentations. Social media, including X (formerly called Twitter) and LinkedIn. Attending industry-related conferences and events. Via interviews, podcasts and corporate videos produced in English and Portuguese. Via interviews and articles in the key trade, UK, Portuguese and international media.
<p>Workforce</p> <p>The average number of monthly staff employed by the Group during 2024 was 27 (2023: 19) see Note 3 for further details</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> The Company's day to day running and long-term development relies on the recruitment, retention and incentivisation of staff, and provision of a safe and supportive working environment. 	<p>The key means of engagement with staff include:</p> <ul style="list-style-type: none"> Regular internal calls, meetings and visits to Project sites by members of the Board and Executive Team. Remuneration framework including Long Term Incentive Plan (Share options) and Short Terms Incentive Plan (Annual Bonus).

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Stakeholder Group	Importance of engagement	How did the Board and/or Management engage
	<p><u>For the employee:</u></p> <ul style="list-style-type: none"> • To ensure that individual responsibilities are understood and work is being carried out safely and efficiently and aligned to the Company's objectives. • To raise concerns and opportunities for improvements to the Company's working practices and culture. • To take advantage of opportunities through the Company for personal development, training and career progression. 	
<p>Community Savannah will be often working alongside communities at its Project sites. For example, it works alongside a number of small communities at the Barroso Lithium Project. The Company aims to act with integrity, transparency and honesty in its dealings with communities and wishes for its host communities to benefit from its projects</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> • To ensure that Health & Safety standards and other regulations relating to Savannah's interaction with the general public and public services are being met. • To ensure it secures and maintains social acceptance of its business activities among the communities it works alongside through effective community engagement programmes. • To ensure that indirect benefits from its operations are maximised among the local community. • To receive feedback/ advice/ assistance on the above topics. <p><u>For Communities:</u></p> <ul style="list-style-type: none"> • To receive relevant information about site-specific operations, Health & Safety matters and other guidance relating to Savannah's interaction with the general public. • Opportunity to receive up to date information on Savannah's business activities, engagement programmes and initiatives relevant to communities. • To register for and to take part in relevant community programmes. 	<p>Full details of the Group's community-related activities across its businesses can be found in the ESG Report.</p>

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Stakeholder Group	Importance of engagement	How did the Board and/or Management engage
	<ul style="list-style-type: none"> To provide feedback on relevant issues to Savannah. To learn about job opportunities at a Savannah Project or to receive training/coaching. 	
<p>Suppliers</p> <p>Savannah requires a wide range of goods and services to maintain its business activities and uses a wide range of domestic and overseas suppliers to meet its needs. When Savannah moves into the development and production phase at an operation, supplier numbers are expected to rise significantly in-line with the scale up and nature of the Project concerned.</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> To maintain good working relationships and credit terms with suppliers to ensure the timely and cost-effective delivery of goods and services. To aid planning for future supply requirements and to identify suitable suppliers. <p><u>For Suppliers:</u></p> <ul style="list-style-type: none"> To maintain an effective working relationship with its customer. To provide key product information and to cross-sell other products. To help with planning for changing levels of demand from a customer. To identify future business opportunities with an existing customer. 	<p>Savannah's engagement with current and potential service suppliers has been widespread during the year as it continues its development of the Barroso Lithium Project and prepares for its future construction and operation. Identifying and evaluating additional groups which may provide key contract services during the construction and/or production phases of the operation will be critical to the Project's future success. Additionally, the Company is a member of the local chamber of commerce in Portugal (Mais Boticas) and where possible the use of local service providers will be prioritised.</p>
<p>Customers</p> <p>As a pre-production business, Savannah is yet to start generating revenue from sales of product to customers. However, the Company expects to supply products to a number of industrial customers over time, beginning with customers buying its lithium and by-product concentrate products from the Barroso Lithium Project.</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> To identify and build relationships with future customers to ensure our projects become viable commercial businesses. To access capital for project development either directly from customers, or from other investors which view the establishment of customer relationships as a key de-risking factor in an investment decision. <p><u>For Customers:</u></p> <ul style="list-style-type: none"> To build a working relationship with a well-managed, long term raw material supplier. To secure a long-term supply of product from a responsible producer in markets where the outlook is for increasing global competition for supply, such as lithium. 	<p>The first phase of Savannah's 'Strategic Partnering Process' was concluded in June 2024 with the announcement of established lithium industry player, AMG Advanced Critical Materials ('AMG') as Savannah's first strategic partner on the Project. With an equity investment of GBP16m, AMG became the Company's largest shareholder with a 15.77% stake. Amongst other aspects, the partnership includes an offtake heads of terms agreement through which, once final agreements are negotiated and signed, AMG can purchase 45ktpa of spodumene concentrate from the Project (approximately 25% of total) for 5 years based on prevailing market prices at the time. This offtake can be increased to 90ktpa for 10 years if AMG helps Savannah to secure a 'full financing solution' for the Project.</p>

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Stakeholder Group	Importance of engagement	How did the Board and/or Management engage
		<p>Having retained 100% ownership of the Project and at least 50% of the Project's future spodumene concentrate, the Company has significant leverage with which to form further strategic partnerships in the future.</p> <p>In relation to its ceramics by-products, Savannah continued to engage with significant potential customers/partners in the ceramics industry for the Project's feldspar-quartz by-product during the year.</p>
<p>Lenders Savannah currently has no corporate bonds or project finance loans but may seek to secure project finance as part of the financing mix for the development of its future projects, such as the Barroso Lithium Project</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> To identify and build relationships with future lenders to ensure sufficient finance can be secured to support project development. <p><u>For Lenders:</u></p> <ul style="list-style-type: none"> To secure a future lending agreement with a responsible raw material producer operating in the battery metals sector. 	<p>A significant step forward was made in the potential debt financing process for the Project during 2024 with Euler Hermes AG, the export credit agency acting for the German Government, confirming the Project's eligibility for a guarantee on a loan up to USD270 million. This guarantee is available due to the potential provision of lithium feedstock into Germany via Savannah's HoT offtake agreement with AMG.</p> <p>In addition to interaction with the German state entities, management maintained a dialogue with other potential project lenders during the year. Discussions with these groups are expected to become more detailed once the DFS is completed as that study will be a key part of a lending bank's evaluation of the Project.</p>
<p>Regulators/Government Depending on the jurisdiction, multiple departments and agencies of the European Commission, national, regional and/or local government may be involved in the licencing and monitoring of mining activities.</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> To build strong and supportive, working relationships with all relevant organs of government and to ensure that the Company receives and complies with the required licences and authorities to operate its projects. <p><u>For governments:</u></p> <ul style="list-style-type: none"> To ensure that the Company is meeting its responsibilities as per its licences. To maximise the economic and social benefits which can be 	<p>As outlined in the Chairman's Statement, CEO's Report and ESG section, Management had regular interaction during the year with the relevant government departments, agencies and associated personnel in Portugal and at the European Commission. Savannah views the establishment of active, two-way, relationships with government stakeholders as critical to the successful development of its projects and in its decision-making regarding the Company's long-term commitment to any jurisdiction.</p>

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Stakeholder Group	Importance of engagement	How did the Board and/or Management engage
	<p>generated for an area, region or country from its mineral resources.</p> <ul style="list-style-type: none"> To understand the needs of Savannah as an operating entity with respect to relevant legislation. 	
<p>Environment Savannah is committed to minimising the environmental impact of its operations through design, monitoring, mitigation and remediation</p>	<p><u>For Savannah:</u></p> <ul style="list-style-type: none"> Savannah places great emphasis on minimising the environmental impact of its operations and also realises the importance placed on good environmental management by all Project stakeholders including governments, communities, customers, investors and lenders 	<ul style="list-style-type: none"> Since passing the major milestone in the environmental licencing approval process in May 2023 (DIA), the team has been working towards the submission required for the next phase in the process, the Environmental Compliance Report of the Execution Project ('RECAPE'). To ensure that it fulfils the requirements of this phase, Savannah has been interacting regularly with the Portuguese environmental regulator, for example in the design of studies required for the updating of several environmental criteria.

Principal decisions

The Company defines principal decisions as those which are material to the Group and its key stakeholder groups detailed above.

Information is presented below on a number of 'principal decisions' which the Board made during the course of 2024. Principal decisions are not defined in legislation but are considered material by the Board from the perspective of the Company, impacted stakeholder group, or both. In making the following principal decisions during the year the Board considered the outcome based on the relevant stakeholders as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Group.

Principal Decision 1: Strategic Partnership with AMG

Commercial interest in the Project and its spodumene lithium offtake had been strong for a number of years and increased significantly following the DIA approval and publication the Scoping Study in 2023. The Company initiated a Strategic Partnering Process which included the appointment of investment banks Barclays and Barrenjoey. This resulted in entering into a strategic partnership with AMG Critical Materials N.V. Group ('AMG'), the Amsterdam-listed, global critical materials business, an established spodumene concentrate producer and the first major European lithium chemical producer. In June 2024 AMG invested GBP 16m in Savannah through an equity subscription to become the Company's largest shareholder. The partnership also includes an offtake heads of terms agreement (the 'Offtake HoT') through which, once final agreements are negotiated and signed, AMG can purchase 45ktpa of spodumene concentrate from the Project. In addition, AMG will take a lead role in the partnership in securing a 'full project financing solution' for the Project's development. If such financing is successful, the Offtake HoT anticipates the increase and extension of the offtake arrangements to 90ktpa for 10 years. The Company and AMG also entered into a co-operation agreement whereby the parties agreed to work together on a number of mutually beneficial opportunities.

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In making the decision the Board considered:

- All stakeholders: Maintaining the Group as a going concern in the interest of all its stakeholders. The partnership with AMG brings with it the skillset of an established spodumene concentrate producer and the first major European lithium chemical producer (AMG has a representative on the Company's Board).
- Shareholders / Investors: The impact on existing shareholders of raising additional equity was considered with the Board weighing up the need to maintain the Group as a going concern and to be well-placed to progress Europe's largest spodumene resource into production, against the resulting equity dilution. The GBP 16m investment by AMG was at a price of 4.67p per share, representing a 35% premium to the 30-day VWAP. AMG is highly motivated to secure a 'full project financing solution' for the Project's development.
- Workforce and Suppliers: The Board also concluded that securing more working capital would help the Group to retain key staff and suppliers who can help the Group achieve its business objectives.
- Customers: The Offtake HoT through which, once final agreements are negotiated and signed, AMG can purchase 45ktpa of spodumene concentrate from the Project (approximately 25% of total) for 5 years based on prevailing market prices, thus becoming the Company's first customer. The partnership also leaves at least 50% of the Project's expected annual concentrate production available for sale to additional customers.

Principal Decision 2: Chairman Succession and changes to the Board

In June 2024, having completed the strategic partnership with AMG and with a cash position of over GBP21 million (the largest in the Company's history) changes were made to the Board as it embarked on the next step, being bringing the Project into production. This included the appointment of the lithium industry executive, Mr Rick Anthon to the role of Non-Executive Chair, and the promotion of existing director, Mr Diogo da Silveira, to Deputy Chair. Three Directors (previous Chair Mr Matthew King, Ms Mary Jo Jacobi, and Mr James Leahy) retired at that the same time.

Prior to that (in April 2024) the Company's CEO, Mr Emanuel Proença had been appointed as a Director following the completion of his 6-month probation period, and subsequently (August 2024), Mike Connor was appointed to the Board as AMG's representative (in a Non-Executive capacity).

In making the decision the Board considered:

- Shareholders / Investors, Customers, Lenders, and Environment: Mr Rick Anthon adds significant lithium and wider mining sector knowledge to the Company's Board, having worked with Allkem (previously Orocobre) from its initial IPO as a small exploration company, Mr Anthon was Director of Corporate Development when the ASX-listed lithium group underwent an AUD 16Bn merger with Livent in 2023 to form NYSE listed Arcadium Lithium, one of the world's largest producers of finished Lithium chemicals (subsequently acquired by Rio Tinto). Mr da Silveira has been instrumental in engaging with Portuguese stakeholders since his appointment. Prior to his appointment to the Board, Mr Proença had successfully guided Savannah through a highly challenging period caused by the Operation Influencer investigation whilst building credibility in international markets and, importantly, in Savannah's local market, Portugal and has continued to deliver significant progress on commercial, organisational and Project development fronts. Mr Connor brings highly relevant lithium sector knowledge, which he has gained while helping AMG build their own lithium business over recent years.
- Workforce: Mr Proença has proven skills in managing a rapidly growing business, which are highly transferable and relevant to the Company.
- Community and Regulators / Government: Mr da Silveira and Mr Proença have strong records of maintaining a constructive rapport with local communities and other stakeholders. As the Company's first Deputy Chair and first Portuguese CEO, their appointments underline the Company's commitment to Portugal and the Project, and bring additional focus and immediacy as the Company looks to develop its brand as an important, responsible and successful business in Portugal.

Principal Decision 3: Land Access Requests to the Portuguese Government

To obtain access to the areas required for the development of the Project, Savannah must either acquire, rent, or agree access terms with the relevant owner. If suitable agreements cannot be reached in a reasonable timeframe, the legal right is established under Portuguese law to use established legal processes for both temporary land access and outright compulsory purchase. Contrary to other structural projects that were

STRATEGIC REPORT

developed in recent times in the region, such as dams and highways, Savannah chose not to pursue these rights outright, allowing as much time as possible for commercially negotiated acquisitions. During 2024 Savannah reached the milestone of having purchased 100 properties from private landowners and had spent GBP 1.8m (EUR 2.1m) on private land purchases. With respect to areas managed by community Baldios groups, long term lease proposals have been made to the two largest Baldios groups, which feature compelling financial and non-financial compensation to the groups, their individual members, and the wider communities. In an effort to keep Project workstreams on track, Savannah started the legal process which grants it temporary access to land not currently owned and started separate actions relating to a Declaration of Public Utility ('DPU') request to the Portuguese Government. This is the mechanism that grants public utility which is necessary for compulsory acquisitions for relevant areas of land (and which is always needed in a variety of situations, e.g. for plots with inheritance issues, undefined ownership, or very small dimensions, etc.). Savannah provided a bank guarantee for approximately GBP 2.5m in support of this. This DPU, once approved, will allow the Company to compulsorily acquire the properties that it wasn't able to do so already. In the meantime, all efforts to obtain friendly agreements will continue.

In making the decision the Board considered:

- All stakeholders: Having access to all the relevant land areas allows the fieldwork to continue and the Project to advance through DFS to construction and production.
- Community: Contrary to other structural projects that were developed in recent times in the region, such as dams and highways, Savannah chose not to pursue these rights until they had allowed as much time as possible for commercially negotiated acquisitions. A positive effect of this was that many landowners were given the extra time they needed to get paperwork in place, become comfortable with the Project, appreciate the value offered and ultimately, sell their land. The land access requested was limited to cover the Project's initial years of production and primarily relates to the land on the eastern side of the Project area where Pinheiro, Grandão, the process plant and related infrastructure are located. Furthermore, the DPU process, through which purchase prices or access fees for land would be set by the Portuguese courts, all stakeholders would still be assured of an alternative and equally transparent and fair process as that proposed by Savannah. In the meantime, all efforts to obtain friendly agreements continue on the same terms as land already purchased (the values paid for land already purchased are on average two times the values calculated by the independent surveyors in the DPU process).
- Government: The land access requests have required the ongoing support of the Portuguese government, which (in February 2025) took swift action to ensure that legal action instigated by three anti-mine group landowners resulted in a minor delay to the fieldwork. It also stated that *"...we believe that any postponement of the execution of the administrative act (temporary land access) being challenged in court is more costly and seriously detrimental to the public interest, and that its full effectiveness should be maintained."*
- Shareholders / Investors, Customers, Lenders: Due consideration was given to potential adverse impact on future financing requirements of the Project.

Approval of the Board

This Strategic Report contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with mineral development businesses. While the Directors believe the expectation reflected herein to be reasonable in view of the information available up to the time of the Board's approval of this Strategic Report, the actual outcome may be materially different owing to factors either beyond the Group's control or otherwise within the Group's control but, for example, resulting from a change of strategy. Accordingly, no reliance may be placed on the forward-looking statements.

On behalf of the Board:

Emanuel Proença
Chief Executive Officer

Date: 9 April 2025

BARROSO LITHIUM PROJECT OVERVIEW

Summary

Savannah is the sole owner of the Barroso Lithium Project (the 'Project') in northern Portugal. The Project, which is located on two Mining Leases is the largest known spodumene lithium deposit in Europe. Savannah is currently completing the Project's DFS and compliance phase of the environmental licence and expects to reach a Final Investment Decision point on the Project in early 2026. Based on economic studies completed to date and the key environmental licence approval, which was received in 2023, the Project is expected to produce approximately 200ktpa of spodumene concentrate (26ktpa lithium carbonate equivalent), containing sufficient lithium for at least 0.5 million EV battery packs per year, and 400ktpa of feldspar-quartz by-product for the local ceramics and glass industries.

Based on the current timetable, Savannah expects the Project to enter production and assume its role as a key source of lithium raw material for Europe's lithium battery chain in 2027. The Project has been designed so that its direct environmental impact is minimised and Savannah is also committed to sharing the socio-economic benefits of the Project with all its stakeholders.

Through this responsible approach to the Project's development and operation, Savannah is ensuring the maximum environmental and social benefits of the lithium is captured for society from these lithium resources.

In March 2025, the European Commission classified the Project as a 'Strategic Project' under the Critical Raw Materials Act. Through this classification the European Commission has identified the Project as being able to make a major contribution to the EU's secure supply of strategic raw materials, while adhering to environmental, social and governance criteria, being technically feasible and able to demonstrate clear cross-border benefits for the EU. As a Strategic Project, the Barroso Lithium Project should benefit from coordinated support by the Commission, Member States and financial institutions to become operational.

Overview and History of the Project

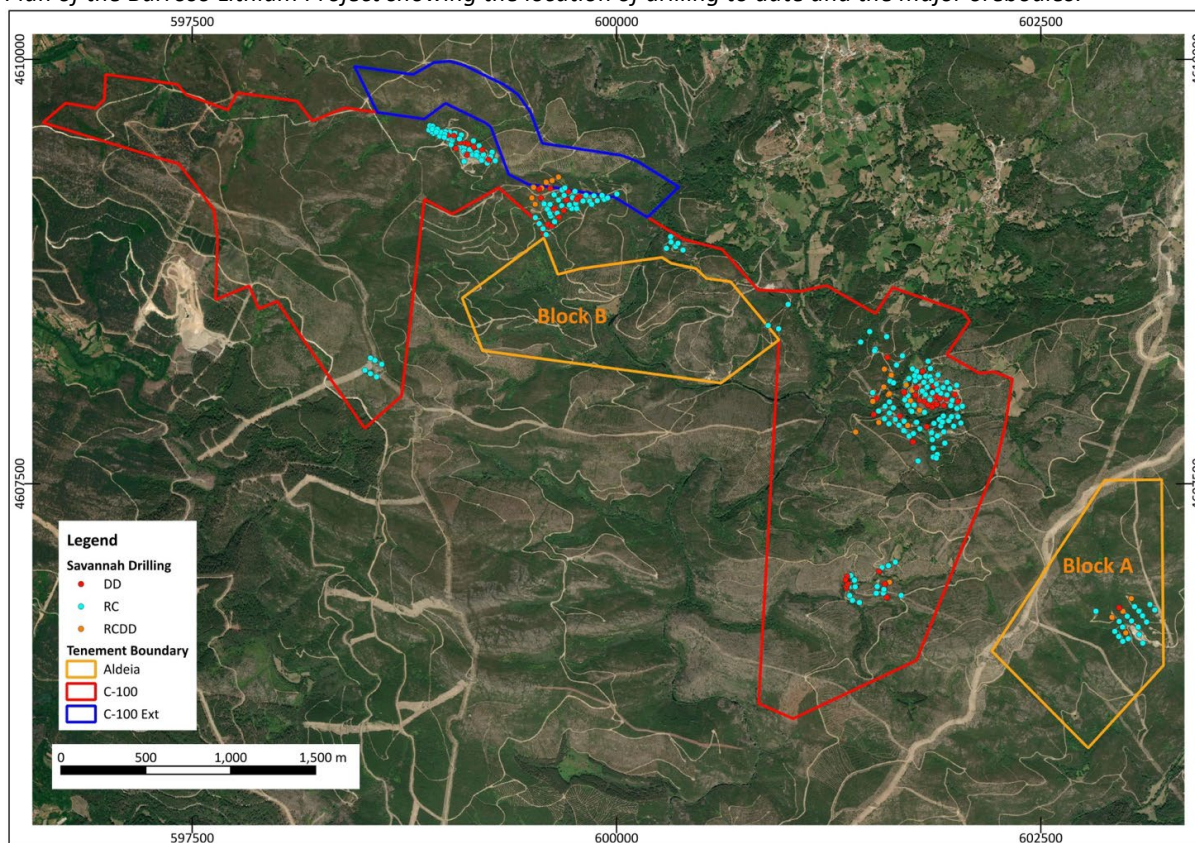
Located less than 2 hours' drive northeast of the city of Porto, the Barroso Lithium Project lies within the Barroso hills of northeast Portugal. The Project is situated on two Mining Leases, the 30-year C-100 Mining Lease (5.42km²), which was awarded to a previous owner in 2006 and can be extended by 20 years, and the adjacent, three block, 25 year, C-190 Mining Lease (2.94km²), which was awarded in December 2024 to its current owner, the Portuguese company Aldeia & Irmão, S.A. ('Aldeia'), and which can be extended twice (for a further 15 years followed by an additional 10 years, see Note 19 for further details).

Through Savannah's successful exploration programme, the Barroso Lithium Project has been defined as the most significant source of spodumene lithium in Europe. Hardrock spodumene lithium deposits have been a major source of lithium raw material production globally for decades and has made Australia the world's largest producer of lithium raw material. Hence, Savannah believes that the Barroso Lithium Project can become an important source of this 'conventional' lithium mineral for Europe's burgeoning domestic lithium battery industry.

Savannah Resources has operated the Project, which initially consisted of just the C-100 Mining Lease, since May 2017 when it first acquired a 75% stake (with all the milestones relating to purchase completed by October 2018). The Company then became the sole owner of the Project in June 2019 when it acquired the residual 25% stake from the Project's minority shareholders in an all-share transaction. June 2019 also saw Savannah exercise the option it had taken in September 2018 to acquire the adjacent three block Mining Lease Application area (now the C-190 Mining Lease) from Aldeia. If this transaction is completed, the addition of the C-190 Mining Lease will increase the Project's footprint owned by Savannah by over 50%.

BARROSO LITHIUM PROJECT OVERVIEW

Plan of the Barroso Lithium Project showing the location of drilling to date and the major orebodies:



Source: Company

Current Resources

To date Savannah's extensive exploration programme, which includes over 40,000m of drilling, has identified numerous spodumene lithium bearing deposits on the Project. From being a 'pre-resource' project when acquired in 2017, JORC compliant Mineral Resources have now been estimated on five of these deposits (4 on the C-100 licence and 1 on C-190 Block A) which, as of May 2024, totalled 28.0Mt at 1.05% Li₂O (containing 293.1kt of Li₂O or 725kt of lithium carbonate equivalent), representing the largest spodumene lithium resource in Europe.

All of the orebodies on the Project remain open to possible extensions through further exploration and an additional Exploration Target² ranging from 11-19Mt at 1.0-1.2% Li₂O has been estimated on just three of the five deposits as of June 2023. As a result, the Project currently has a combined Resource and Exploration Target² of 39-47Mt at 1.0 to 1.2% Li₂O as outlined across the following tables.

² Cautionary Statement: The potential quantity and grade of the Additional Resource Targets is conceptual in nature, there has been insufficient prospecting work to estimate a mineral resource and it is uncertain if further prospecting will result in defining a mineral resource

BARROSO LITHIUM PROJECT OVERVIEW

The Barroso Lithium Project's Lithium JORC Mineral Resource Estimate & Exploration Target³:

JORC Mineral Resource Estimate (May 2024, 0.5% Li ₂ O cut-off)					
Deposit	Resource Category	Tonnes (Mt)	Li ₂ O grade (%)	Fe ₂ O ₃ grade (%)	Li ₂ O contained (t)
Grandão	Measured	6.6	1.1	0.7	71,600
	Indicated	6.4	1.0	0.8	61,300
	Inferred	4.8	1.0	0.7	48,900
	Sub-total	17.7	1.04	0.7	181,800
Reservatório	Measured	-	-	-	-
	Indicated	3.5	0.95	0.8	33,000
	Inferred	0.7	0.9	0.9	6,500
	Sub-total	4.2	0.9	0.8	39,500
Pinheiro	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	2.0	1.0	0.7	20,000
	Sub-total	2.0	1.0	0.7	20,000
NOA	Measured	-	-	-	-
	Indicated	0.6	1.0	0.8	6,300
	Inferred	0.1	0.9	0.4	500
	Sub-total	0.7	1.0	0.8	6,800
Aldeia	Measured	-	-	-	-
	Indicated	1.6	1.3	0.5	21,300
	Inferred	1.8	1.3	0.4	23,700
	Sub-total	3.5	1.3	0.4	45,000
All Deposits	Measured	6.6	1.1	0.7	71,600
	Indicated	12.1	1.0	0.7	121,900
	Inferred	9.3	1.1	0.7	99,600
	Grand Total	28	1.05	0.7	293,100

Rounding discrepancies may occur

Source: April 2025 Project & Resource update RNS

³ Cautionary Statement: The potential quantity and grade of the Additional Resource Targets is conceptual in nature, there has been insufficient prospecting work to estimate a mineral resource and it is uncertain if further prospecting will result in defining a mineral resource

BARROSO LITHIUM PROJECT OVERVIEW

Exploration Target ⁴ Summary (June 2023)			
Deposit	Tonnage Range (Mt)		Li ₂ O grade (%)
	Low	High	
Reservatório	5.0	7.0	1.0-1.2
Grandão	4.0	8.0	1.0-1.2
Aldeia	2.0	4.0	1.0-1.3
Total	11.0	19.0	1.0-1.2

Rounding discrepancies may occur
Source: June 2023 JORC Resource update RNS

Resource upgrades

As part of its current work for the Project's Definitive Feasibility Study ('DFS', further details below), Savannah is in the process of upgrading the Project's current Inferred JORC Resources to the higher, Indicated and Measured JORC categories so that they can be included in the Project's maiden JORC Reserve estimate. This JORC Reserve will outline the ore tonnage which will initially underpin the operation's production for more than a decade.

To achieve this, Savannah has been conducting resource infill drilling since October 2023 as part of its wider, two phase, DFS-related drilling programme, which is also providing data for geotechnical, metallurgical and hydrogeological studies.

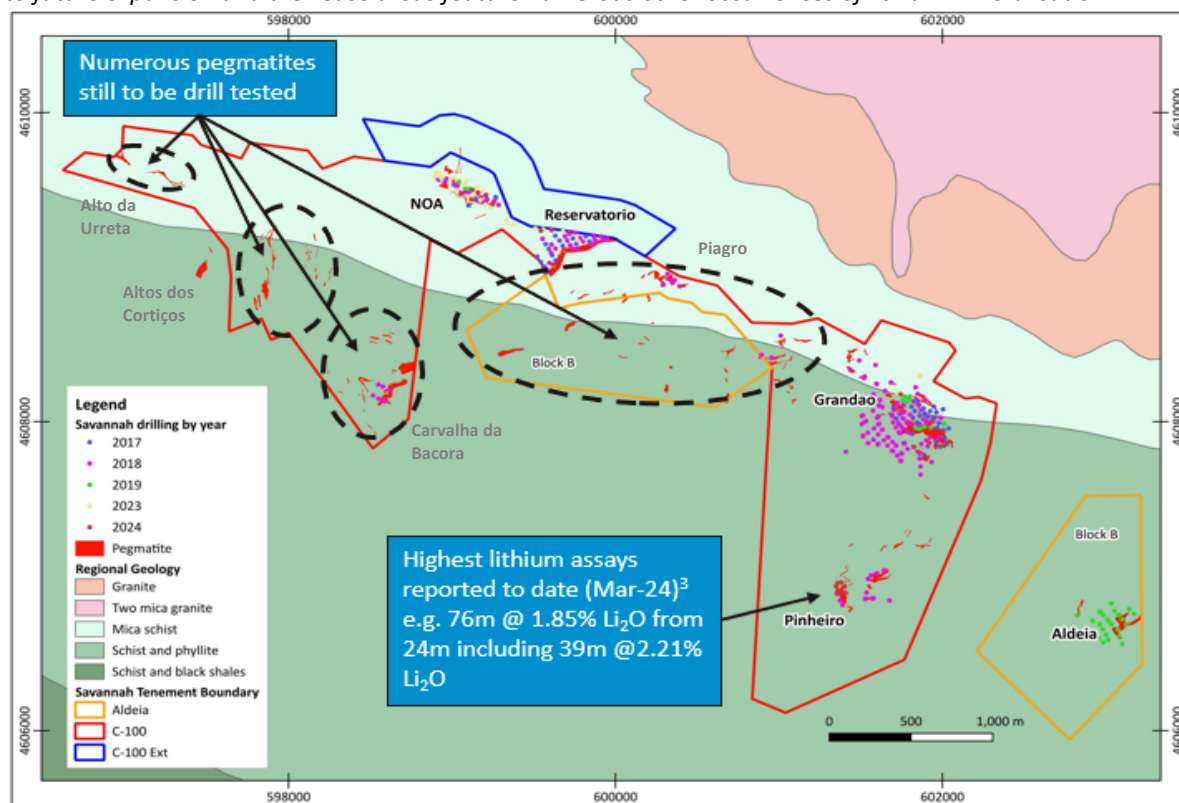
The first phase of the programme was completed in May 2024 (resource drilling was completed in February 2024) with 67 holes drilled for a total of 6,154m. Key outcomes from this first phase included:

1. **A new JORC estimate for the NOA orebody.** Published in May 2024, the drill programme achieved its goal with 93% of the total 0.66Mt Resource placed into the Indicated Category (previously 67%). The drilling also confirmed that mineralisation continues to the northwest beyond the current resource envelope.
2. **The highest grade drill intercepts every recorded at the Project.** Drilling on the western limb of the Pinheiro orebody identified a new high -grade zone and returned 76m at 1.85% Li₂O from 24m in 24PNRRCO24, included 39m at 2.21% Li₂O from 38m and 1m at over 3.53% Li₂O from 62m. Overall, 12 sample intervals reported greater than 3% Li₂O at Pinheiro. Drilling also confirmed the western limb extending to the north.
3. Confirmation of **notable mineralisation continuing at depth at Reservatório** and work close to the margin of the deposit at **Grandão showed the mineralisation continuing to the north.**

⁴ Cautionary Statement: The potential quantity and grade of the Additional Resource Targets is conceptual in nature, there has been insufficient prospecting work to estimate a mineral resource and it is uncertain if further prospecting will result in defining a mineral resource

BARROSO LITHIUM PROJECT OVERVIEW

While the highest lithium assays to date were reported at Pinheiro, all the Project's major orebodies remain open to future expansion and the Lease areas feature numerous other occurrences of lithium mineralisation



Source: Company

At at 31 March 2025, Savannah is 57 holes (6,204m) into the 117 holes, c.13,000m, phase 2 of the programme, which will result in new resource estimates for the Grandão, Reservatório and Pinheiro orebodies as part of the ongoing DFS work. Assays and other key findings from this ongoing drilling programme will be released periodically during 2025.

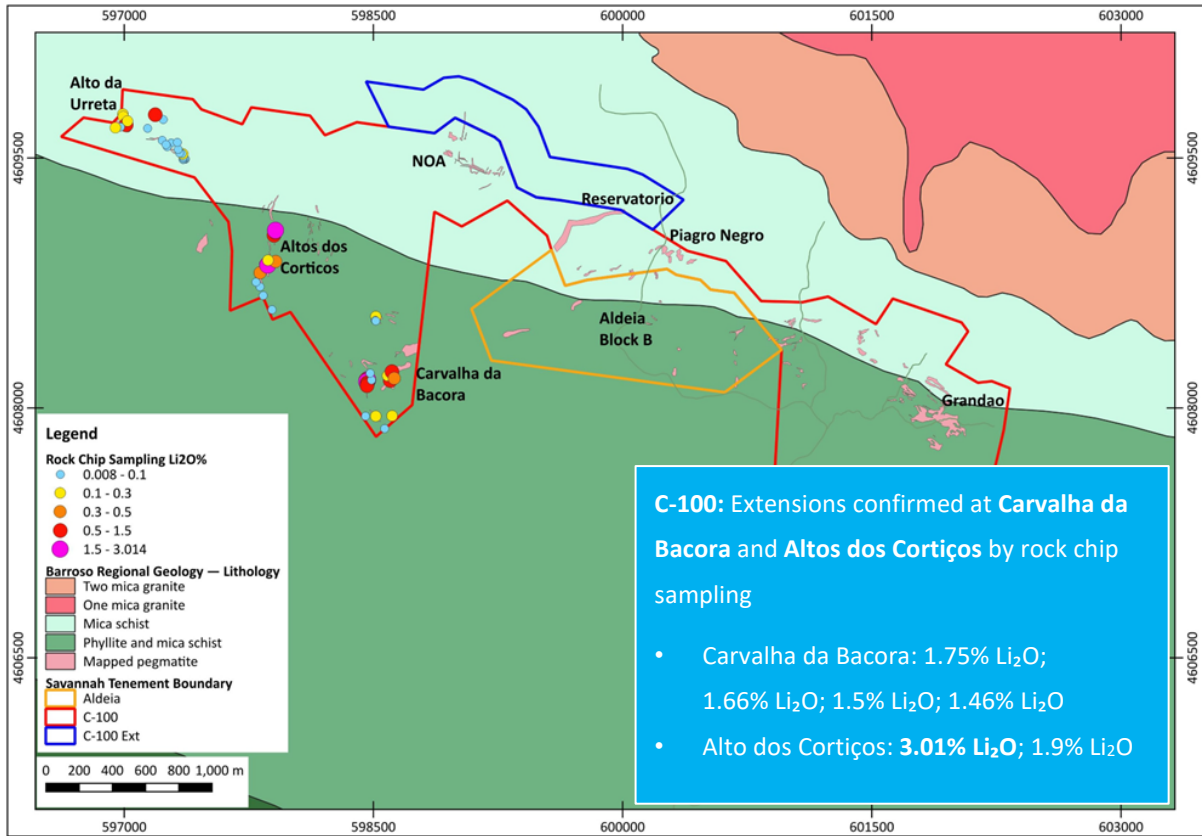
Further exploration upside

While the current JORC Resource-bearing orebodies will provide the operation with ore for well over a decade, other mineralised deposits represent an opportunity to build a long-term pipeline of future resources, which could sustain the Project for decades to come.

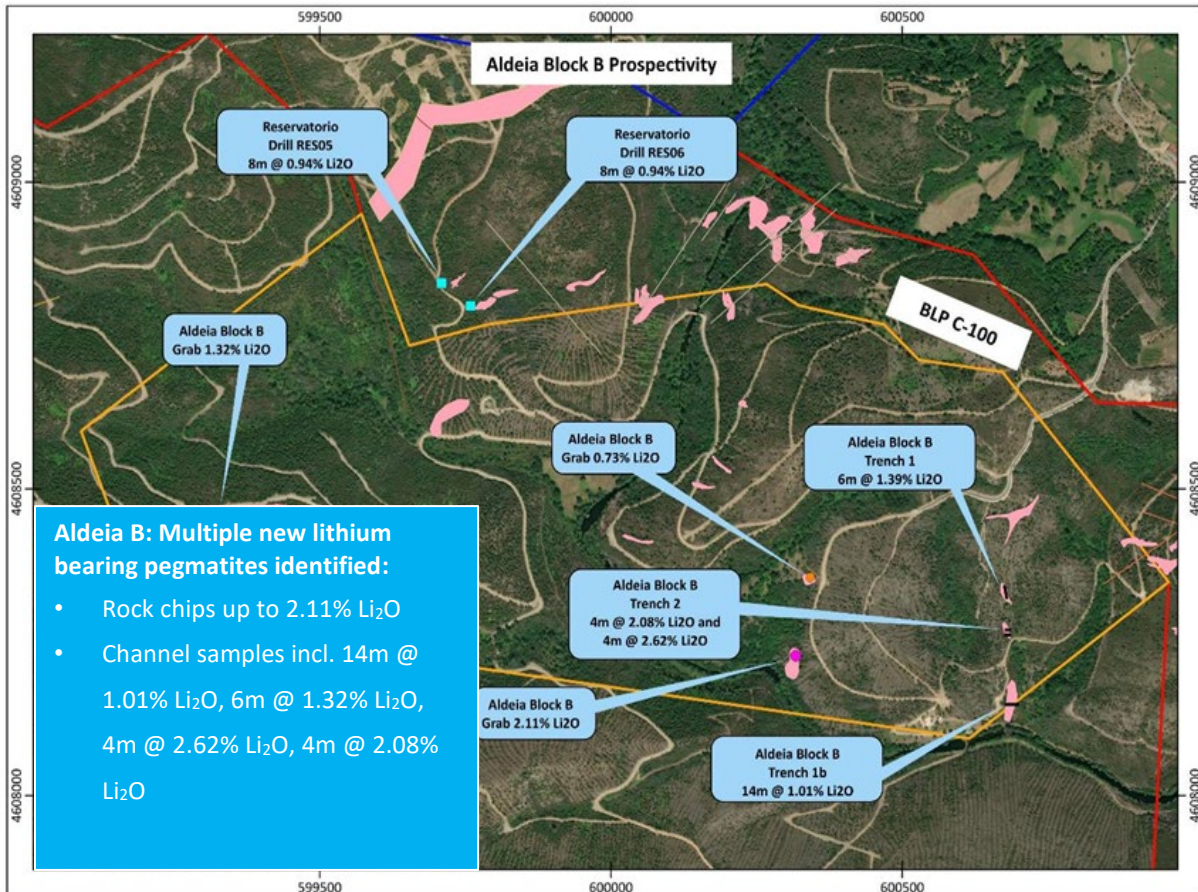
For example, surface exploration conducted on targets at the western end of the C-100 Lease and on Block B of the C-190 Lease, well away from the JORC Resource bearing orebodies, returned high grade assays from rock chip and channel sampling. These included rock chip samples at Carvalho da Bacora and Altos dos Cortiços (on the C-100 Lease) assaying up to 3.01% Li_2O and confirming extensions to previously identified mineralisation. While on Block B of the C-190 Lease, rock chips returned up to 2.11% Li_2O and channel samples included 14m @ 1.01% Li_2O from Trench 1b, 6m @ 1.39% Li_2O from Trench 1, and 4m @ 2.08% Li_2O and 4m @ 2.62% Li_2O from Trench 2.

BARROSO LITHIUM PROJECT OVERVIEW

Significant lithium mineralisation has been identified at surface in numerous deposits away from the JORC Resource-bearing orebodies at the Project on the C-100 and C-190 Mining Leases



Source: Company



Source: Company

BARROSO LITHIUM PROJECT OVERVIEW

This is just a small fraction of the known targets which exist at the Project, and while there remains much follow up work to do to further assess these deposits, they act as a clear reminder of the Project's high prospectivity for further spodumene lithium resource delineation in the future. Furthermore, as Savannah's experience with the major orebodies on the C-100 licence has shown, the full extent of the mineralisation is easily underestimated from outcrops alone.

In addition, looking even further ahead the first Light and Detection ('LIDAR') drone survey conducted over the Project, which conducted during 2024, identified several historical tin mining areas hidden by vegetation. This is significant as at Grandão and Pinheiro, similar zones of historical mining indicate a possible association between the spodumene and tin bearing pegmatites. Hence, there are even more opportunities to build a pipeline of additional resources and targets for the Project's long-term continuity.

Not just a lithium project

In addition to the production of spodumene lithium concentrate, the Barroso Lithium Project also has the potential to produce significant volumes of feldspar and quartz which is in demand from the large ceramics and glass industries in Portugal and Spain. Sales of these 'by-products' would have the dual benefits of reducing the amount of processed material which must be stored on-site and provide significant additional revenue which could markedly improve the net production costs of the lithium concentrate.

During 2019 the Group estimated its first by-product resource on the Project, based only on pegmatite material located inside the proposed Grandão pit (i.e., wholly within the existing lithium mineral resource model). Hence, this resource is expected to increase further once similar estimates are performed on the NOA, Reservatório, Pinheiro and Aldeia deposits.

The Barroso Lithium Project's By-product JORC Mineral Resource Estimate:

JORC Mineral Resource Estimate (September 2019, no lithium cut-off grade applied)						
Deposit	Resource Category	Tonnes (Mt)	Quartz		Feldspar	
			Grade (%)	Mt	Grade (%)	Mt
Grandão	Measured	7.1	32.6	2.32	42.8	3.05
	Indicated	6.3	34.6	2.17	42.6	2.67
	Inferred	1.0	30.9	0.30	40.3	0.39
	Sub-total	14.4	33.4	4.79	42.6	6.11

Rounding discrepancies may occur

Source: September 2019 JORC Resource update RNS

Savannah also completed marketing and test work studies during 2019 to confirm the by-products' suitability for various applications within the ceramic and glass industries and is currently executing an independent product characterisation and market study with a reputable Portuguese consultant.

Development of the Project

With control of the largest spodumene resource in Europe and the encouraging results in the initial Scoping Study completed on the Project in 2018 (see section Economic Studies on the Project for further details), Savannah is progressing the Project towards a Final Investment Decision point. While the Project is located on existing Mining Leases, Savannah's plan to produce spodumene concentrate and mine on a larger scale than had been envisaged when the C-100 Mining Lease was awarded in 2006, mean it is necessary for the Project to obtain a new Environmental Licence and have a new Mine Plan approved by the Portuguese authorities. Savannah must also justify the potential capital investment in the Project for itself and its future debt and equity investors with a robust business case. Hence, the Company is now completing the compliance phase of the environmental licencing process working to finalise a Definitive Feasibility Study.

BARROSO LITHIUM PROJECT OVERVIEW

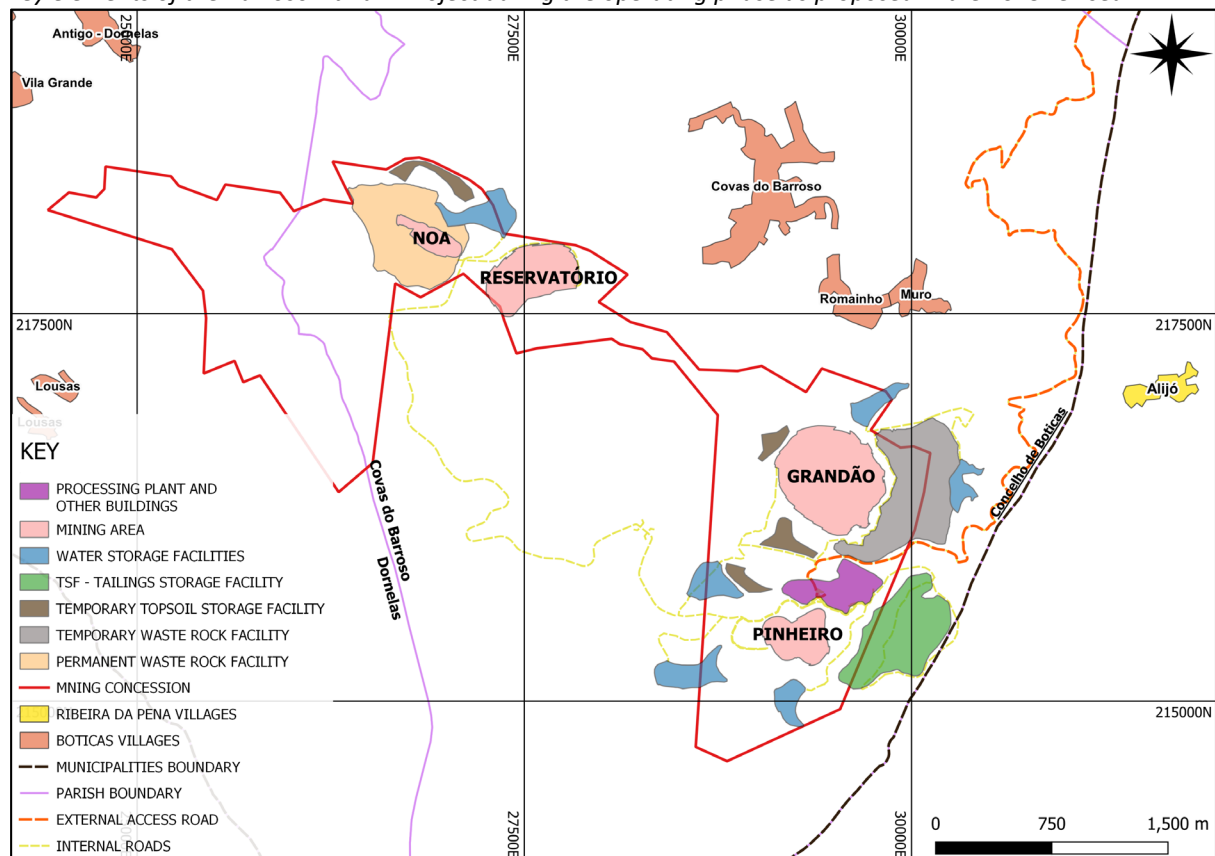
Environmental Licencing

The environmental licencing process in Portugal consists of several phases in which the ‘Declaration of Environmental Impact’ (‘DIA’) is the key award in the process. By achieving this milestone, a Project’s future design and operation as outlined in its Environmental Impact Assessment⁵ (‘EIA’) and associated documents, such as a Mine Plan in the case of a mining project, has received approval from Portugal’s environmental regulator, APA. In the subsequent ‘Environmental Compliance Report of the Execution Project stage’ (‘RECAPE’), the Project’s proponent must show that any conditions attached to the DIA approval are met in the Project’s final design. If this requirement is fulfilled, a Project’s detailed final design receives a ‘DCAPE’ approval and at this point a project can be awarded its final environmental title.

Savannah first submitted an EIA and Mine Plan for the Project to APA in June 2020. Following a two-year initial review period of the EIA, which included a public consultation between April and July of 2021, APA recommended that the review process enter an additional phase of evaluation under Article 16 of the relevant EIA legislation. In contrast to the initial review process, Article 16 offered both a fixed timetable and the opportunity for Savannah to meet with the regulator’s Evaluation Committee and receive feedback. Savannah agreed to the Article 16 extension and, after a series of productive meetings with members of APA’s Evaluation Committee and a period spent significantly revising the Project’s design and its operational plan, resubmitted its EIA and associated Mine Plan in March 2023. Following a second public consultation period (March - April 2023), the Barroso Lithium Project received a positive conditional DIA decision in May 2023.

Since the DIA was awarded, work on the RECAPE phase of the process has been underway on several fronts including, water and hydrogeology, seasonal studies of flora and fauna, noise and vibration, archaeology, and social impact. Other studies linked to the DFS, such as the Mine Plan, will also provide important inputs into the RECAPE submission. The Company expects to make its RECAPE submission by the end of 2025.

Key elements of the Barroso Lithium Project during the operating phase as proposed in the 2023 revised EIA:



Source: Company

⁵An EIA study identifies all the potential environmental and social impacts a project may have and details how the project’s proponents would monitor and minimise these impacts throughout all phases of the project’s life, including after its closure.

BARROSO LITHIUM PROJECT OVERVIEW

Key features of the DIA approved Project design and operational plan:

Parameter	Details
Footprint	<ul style="list-style-type: none"> • Expanded C-100 Mining Lease: 593 hectares (5.93km²). • Area which will be sequentially impacted and rehabilitated on the expanded C-100 Mining Lease: 271 hectares; less than half of the Lease's total area. • Agricultural land impacted on the C-100: 14 hectares (2.4%) of the Lease area or 0.21% of the total 1,127km² area which was categorised as a Globally Important Agricultural Heritage System (GIAHS) by the Food and Agriculture Organisation in 2018 (Mining Lease awarded in 2006). • No population relocation required, no housing affected.
Operating times	<ul style="list-style-type: none"> • Drilling 7am-8pm Mon-Fri; Blasting up to 3 times/week between 12 noon-3pm on weekdays only; Mining & on-site trucking 7am-11pm 7/7; Processing plant 24hr 7/7.
External road transport	<ul style="list-style-type: none"> • Road transport 7am-8pm Mon-Fri. • External access to the Project is via a new 11.6km road which connects to the R311 and a new 17km Boticas bypass road to connect to A24; No project traffic will pass through local villages and towns.
Mining areas	<ul style="list-style-type: none"> • Minimum distance to nearest house from edge of final mine area (Grandão) 560m. • Mining areas to be backfilled with inert waste rock, landscaped and re-vegetated using native species beginning in the second year of operation.
Processing Plant	<ul style="list-style-type: none"> • Engineered into hillside to be located below sight lines from local villages and to reduce noise pollution. • Includes a water recycling and treatment system with all water treated and 85% recycled for reuse. • Housed in an insulated building to further reduce noise.
Tailings Storage Facility (TSF)	<ul style="list-style-type: none"> • Tailings (waste from processing plant) is inert. • Tailings will be stored separately from mining waste rock at a safe distance from the Covas River. • TSF will be a highly stable 'dry stack' structure with waste dried before storing. The Project will not use a traditional 'wet' tailings dam. • For additional environmental protection, the TSF will be built on a waterproof lining. • The TSF will be revegetated progressively during the Project's life.
Water Sourcing	<ul style="list-style-type: none"> • No water extraction from the Covas River. • Water sourced on-site from the mining areas and other surface sources and recycled. • Any water courses interrupted by mining will be restored once mining finishes. • Water flowing towards the Project will be diverted to reach the Covas River.
Water Storage	<ul style="list-style-type: none"> • Water collected on the Project will be stored in small, purpose-built storage facilities. • Water storage facilities also act as sediment control structures to help with maintaining water quality.

BARROSO LITHIUM PROJECT OVERVIEW

Parameter	Details
Waste Rock Storage & Reuse	<ul style="list-style-type: none"> • Waste rock (rock which is not ore) stored in temporary or permanent structures. • Waste areas located to reduce impact & avoid water courses. • Permanent waste rock formations will be contoured into the existing landscape and revegetated.
Ecology	<ul style="list-style-type: none"> • Not drawing water from the Covas River helps preserve the local aquatic ecosystem, including the river mussel. • Removal of road bridges also reduces impact on aquatic ecosystem. • Impact on oak groves and meadows further reduced in latest Project layout. • No mining at night avoids impact on nocturnal wildlife, including the Iberian Wolf. • Re-vegetation to utilise native species and other suitable plants with good pollination characteristics.
Noise & Vibrations	<ul style="list-style-type: none"> • Commitment to not exceeding a limit of 38 decibels (less than the noise of a refrigerator), at the nearest house during day and night time operation, except when blasting. • Blasting will last 5-10 seconds and measure up to 55 decibels at nearest house (loudest 'Project noise' but less than a washing machine). • Ground vibration from blasting to be 60% below legal limit as measured at nearest house.
Air Quality	<ul style="list-style-type: none"> • Dust identified as the most significant impact with no other notable airborne emissions. • Dust to be suppressed by treating unpaved roads with water; fog cannons used when haul trucks dump their loads at the processing plant. • Electric mining equipment and trucks to be used when available to remove vehicle CO₂ emissions.
Environmental Reporting	<ul style="list-style-type: none"> • Multiple environmental indicators (air quality, noise levels, ground vibrations, and water levels and water quality) will be monitored, in real time, through a series of sensors distributed across the Project and surrounding area. • The data collected will be publicly reported 24 hours a day, 365 days a year. • Everyone will have access to information through a smartphone app; Savannah's website; Information Centres and Public places in the local area.
Social benefits	<ul style="list-style-type: none"> • 300+ direct jobs created. • Preferential trade with local businesses & producers. • Financial support and other resources for community initiatives. • Environmental, historical, cultural and agricultural heritage projects supported; Social and educational support; Sharing of health & transport assets.

Other licences

Once the environmental licence has been formally received, Savannah will then be able to apply for the remainder of the licences required for the Project's development and operation. These licences cover permissions for construction and use of services on site such as power.

BARROSO LITHIUM PROJECT OVERVIEW

Resource drilling during the 2023/24 programme:



Source: Company

Economic Studies on the Project 2018 & 2023 Scoping Studies

Savannah completed its first Scoping Study on the Project in 2018, based on a 'mineable resource' of 14.4Mt, throughput of 1.3Mtpa and average annual production of 175ktpa of 6% spodumene concentrate over a life of mine of 11 years. This study returned a post-tax NPV of USD241m and IRR of 48.6% based on an average spodumene concentrate price of USD685/t.

In June 2023, Savannah produced a new Scoping Study based on the Project design which had received the DIA environmental approval the month before. The key operating and economic parameters of that design are outlined in the table below, which compared to the 2018 Study saw the mineable resource increase by 42% to 20.5Mt, throughput at the plant rise by 15% and the average annual tonnage of concentrate production rise by 9% to approximately 190ktpa.

The Barroso Lithium Project 2023 Scoping Study Key Facts:

Operating Parameters and assumptions	
Mineable resource	20.5Mt at 1.05% Li ₂ O. All open pit.
Initial life of mine	14 years
Average Stripping ratio (waste: ore)	5.9:1
Average annual processing rate	1.5Mtpa
Processing route & recovery rate	Crush-grind-Dense Media Separation-flotation;73% recovery
Average annual concentrate production & specification	191ktpa, at minimum 5.5% Li ₂ O
Concentrate production as Lithium carbonate equivalent ('LCE')/Lithium Hydroxide Equivalent ('LHE')	~26ktpa LCE; ~29.5ktpa LHE. Sufficient for ~0.5M 60kWh car battery packs per annum
Average annual by-product output	400ktpa of a bulk feldspar/quartz for use in the ceramics and other industries
Employment	~350 staff during the operating phase

BARROSO LITHIUM PROJECT OVERVIEW

Operating Parameters and assumptions	
Initial capex (ex. contingency/inc. contingency)	USD235.9m/USD280.3m (Additional 19% contingency of USD44.4m, included in financial model)
Sustaining capital & closure costs	USD49.3m & USD102m (total USD151.3m)
C1 Cash Operating cost (USD/t concentrate) <i>Includes all mining, processing, transport, G&A and community costs less feldspar-quartz ceramic by-products credits (-USD132/t concentrate); excludes royalties</i>	USD292/t
All in sustaining costs (USD/t concentrate) <i>Includes all mining, processing, transport, G&A and community costs, royalties, sustaining capex and closure & rehabilitation costs less net of ceramic by-products credits (-USD132/t concentrate)</i>	USD409/t
Financial & economic outcomes	
Average price assumptions	Spodumene concentrate (5.5% Li ₂ O): USD1,464/t; Feldspar/quartz by-product: USD53.5/t
Gross Revenue (Total; Avg pa)	USD4,151m; USD304m (includes by-product revenue)
EBITDA (Total, Avg pa)	USD2,793m; USD205m
Royalties (Total)	USD153m
Taxes (Total)	USD771m
Net Free Cashflow (Total; Avg pa)	USD1,694m; USD124m
Post-tax NPV (8% discount rate)	USD953m
Post-tax IRR	77.3%
Post-tax Payback	1.3 years

Source: June 2023 Scoping Study

Definitive Feasibility Study

The DFS is a comprehensive technical and economic study of the proposed Project and will include among other elements; an updated JORC Resource for the Project as well as its maiden JORC Reserve estimate; final designs for site layout and associated infrastructure; schedules for mining, processing, storage of processed materials; commodity market studies; and capital and operating cost estimations, and a cashflow model.

Savannah has been working towards the DFS since the first Scoping Study was completed in 2018. The extended environmental licencing process (2020-23) subsequently impacted the timing of some elements of the Study, but work on the DFS restarted over the summer of 2023. Beginning with the appointment of key contractors and followed by the restart of drilling in 2023, after a four-year break. The first phase of resource-related drilling was completed in February 2024 with the remainder of phase 1 (focused on geotechnical, metallurgical and hydrogeological data gathering) completed in May 2024. Preparation for the second phase of drilling then began in December 2024 and as at 31 March 2025 57 holes and 6,204m have been completed in the 117 holes, c.13,000m programme.

Away from the field, during 2024 and early 2025, Savannah's team and its consultants have been finalising the locations for the processing plant, pits, waste dumps, tailings and water storage facilities, roads and HV power infrastructure. Designs for the pits and waste dumps were also completed, pending finalisation of geotechnical assessment, as was the mine scheduling exercise and the drilling of water bores and pump testing for a hydrogeological study. Preliminary designs were also completed for the Tailings Storage Facility, water reservoirs and environmental control dams.

BARROSO LITHIUM PROJECT OVERVIEW

Regarding the final estimate of the Project's construction (capex) and operating costs, requests for quotations for all significant mechanical equipment were received during the period and budget quotations for electrical equipment, steel/pipe fabrication and installation contracts have all been prepared and sent out.

Infrastructure

From an infrastructure perspective, the Project benefits greatly from its location in a western European country. A 60KV overhead grid powerline crosses the Project, a network of paved local roads connects the site to the national highway network leading to the major towns and cities of northern Portugal and a number of industrial ports on the Atlantic coast. In addition, the area receives significant rainfall and hence, the Project can collect, store and recycle the water it needs during its operating life. Against this backdrop, Savannah is making good progress with planning and implementing a series of revisions and additions to the existing infrastructure, which are required to meet the conditions of the DIA environmental approval and to operate the Project as safely and efficiently as possible.

Recent progress on key infrastructure objectives includes:

Roads

Part of the optimised Project design which received DIA approval in 2023 is a new road system to transport materials to and from the Project which avoids trucks passing through local villages and towns. To date preliminary design work on the northern access road, which will directly link the Project to the new Boticas bypass road and ultimately the existing national highway network, has been completed and is under consultation with the relevant government agencies and stakeholders prior to geotechnical field work for the final design.

The preliminary alignment for the Boticas town bypass road was presented and underwent stakeholder review during 2024. Based on feedback received, the design is now undergoing a revision to incorporate stakeholder observations where possible. Geotechnical field tests have been conducted and the final road design, associated studies and environmental impact assessment are expected to be ready for review soon ahead of submission to the Portuguese regulator. Preliminary design of the Project's internal haul roads, which will connect the mining areas to the central processing plant, are in progress and will be completed as part of the DFS later this year.

Electrical power

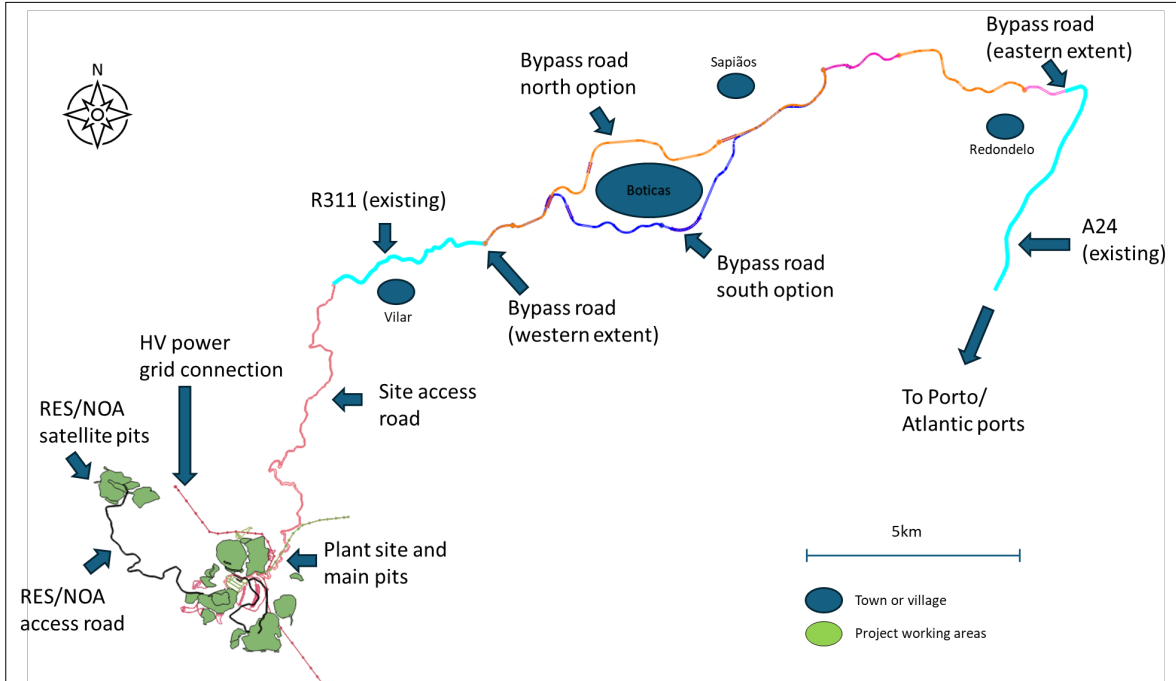
In order to develop the Project, it will be necessary to reposition the existing powerline so that it passes around the Grandão deposit and construct a new onsite substation. In July 2023, Savannah initiated this process and during 2024, preliminary design for the revised powerline layout and associated substation were completed and the DFS level design and permitting commenced.

Water

The location of the water storage areas and associated dams was finalised during the year and preliminary design work on these structures completed.

BARROSO LITHIUM PROJECT OVERVIEW

The potential layout of Project-related road and power infrastructure



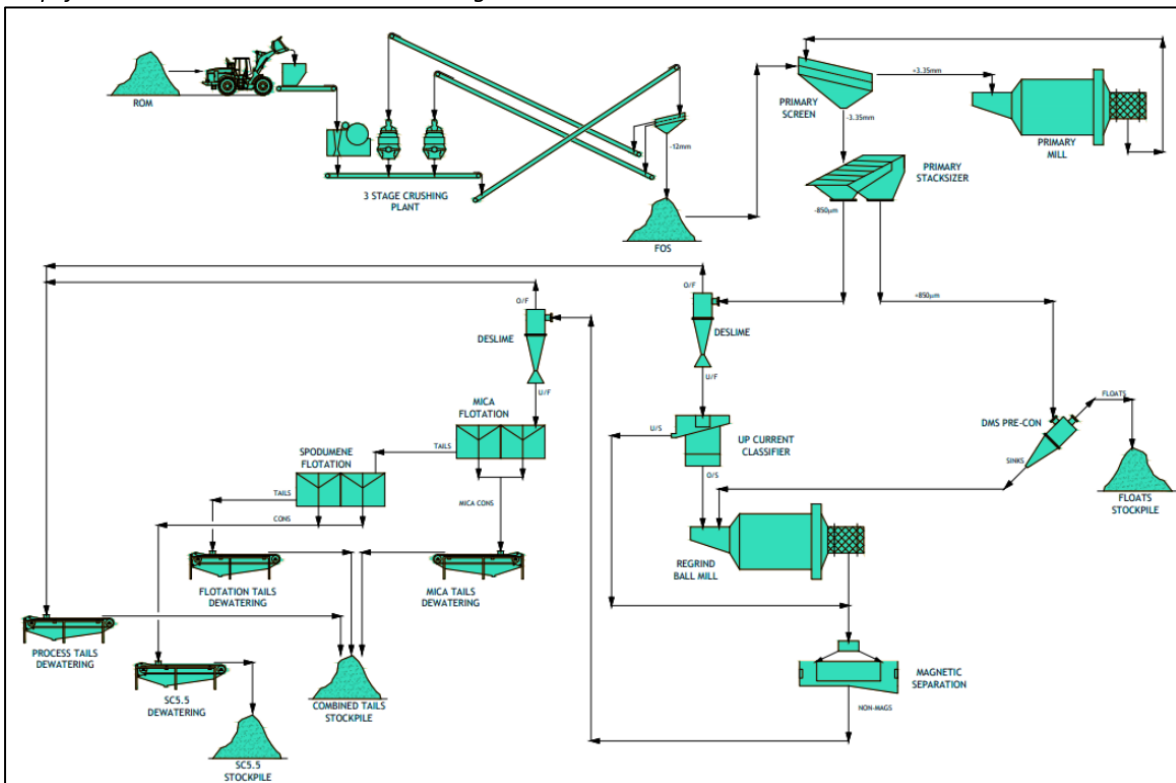
Source: Company

Processing Plant

After extensive testwork, the basic process flowsheet for the concentrator plant was finalised in 2022. Fully complying with all relevant regulations, the flowsheet uses industry standard equipment and processing techniques and an environmentally friendly reagent regime. Both mica and spodumene flotation sections can operate at near neutral pH, and the plant will be capable of producing a high quality, spodumene concentrate grading $\geq 5.5\%$ Li₂O with low levels of impurities.

Testwork is continuing and during the year, progress was made on the final DFS design of the plant as well as the development of a 3D model.

Simplified Process Flowsheet Block Flow Diagram:



Source: Company

BARROSO LITHIUM PROJECT OVERVIEW

Decarbonisation Study

Following some initial work on estimating the scope 1 & 2 emissions for the Project, Savannah announced the initiation of a Decarbonisation Strategy in 2022 to support its goal of producing a net carbon zero lithium product from the Project. By setting this goal Savannah is helping to minimise the carbon footprint associated with the European lithium battery value chain, thus maximising the environmental benefit these batteries can bring.

ECOPROGRESSO, a subsidiary of the Portuguese engineering and environmental consultancy, Quadrante Group, was commissioned to lead on a multiple phased study. Phase 1, which was focused on updating the estimate of the Project's greenhouse gases emissions based on international guidelines, and defining targets for overall emissions reduction was completed during 2022 and the results announced in February 2023. Key findings of the first phase study included:

- Confirmation that battery electric mining equipment provided the most effective and flexible means to reduce Scope 1 emissions, which account for 68% of the combined Scope 1 & 2 total
- The Scope 2 emissions estimate was reduced by 54% from a 2019 estimate based on a lower calculated power consumption at the Project's processing plant and a 41% reduction in the emissions associated with grid power due to the increase in contribution from renewable sources in the intervening period.

The recommendations for ongoing studies to further reduce the Project's CO₂ footprint included:

- Assessing the options for securing a 100% renewable energy supply for the Project
- Working with mining equipment OEMs to determine a site-specific solution for a transition to a battery operated mining fleet and associated charging infrastructure.

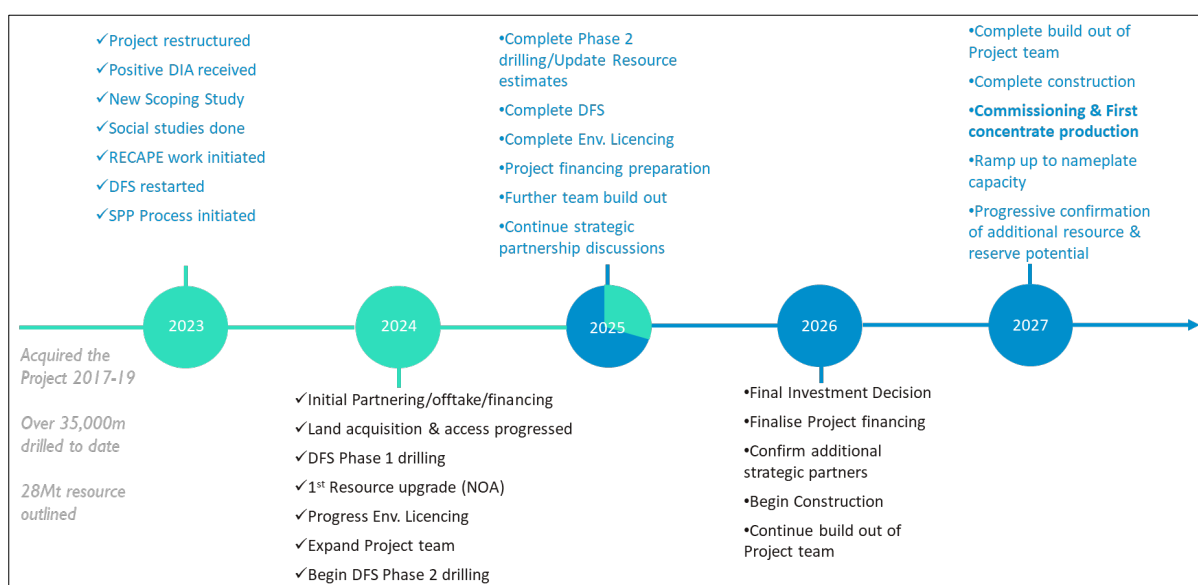
In response to the Study's findings, during 2024 Savannah continued to explore opportunities to transition the Project's initial mining fleet (expected to be diesel) to technologies that allow a significant reduction in emissions. This included attending a conference event organised by a leading mining fleet OEM to explore its current and future work with hybrid and fully electric equipment and supporting infrastructure.

Meanwhile, the outlook for reducing Scope 2 emissions to zero continues to improve with the increasing contribution of renewable energy into Portugal's grid power. In 2024, around 80% of mainland Portugal's grid power came from renewable sources. Savannah plans to negotiate a 100% renewable supply for Project.

Development timetable

Savannah expects to complete the DFS and environmental licencing process by the end of 2025, which will allow the Company's Board to make a Final Investment Decision on the development of the Project in 2026.

Assuming that sufficient financing can be secured, construction will also begin next year and be completed in 2027. This will be followed by commissioning and first concentrate production before the end of 2027. If this timetable can be achieved, the Project will be coming online in parallel with a widely expected tightening in the global lithium market in which supply is challenged to keep pace with accelerating demand and lithium commodity prices are forecast to be significantly higher than in today's market.



Source: Company

BARROSO LITHIUM PROJECT OVERVIEW

Commercial partnerships

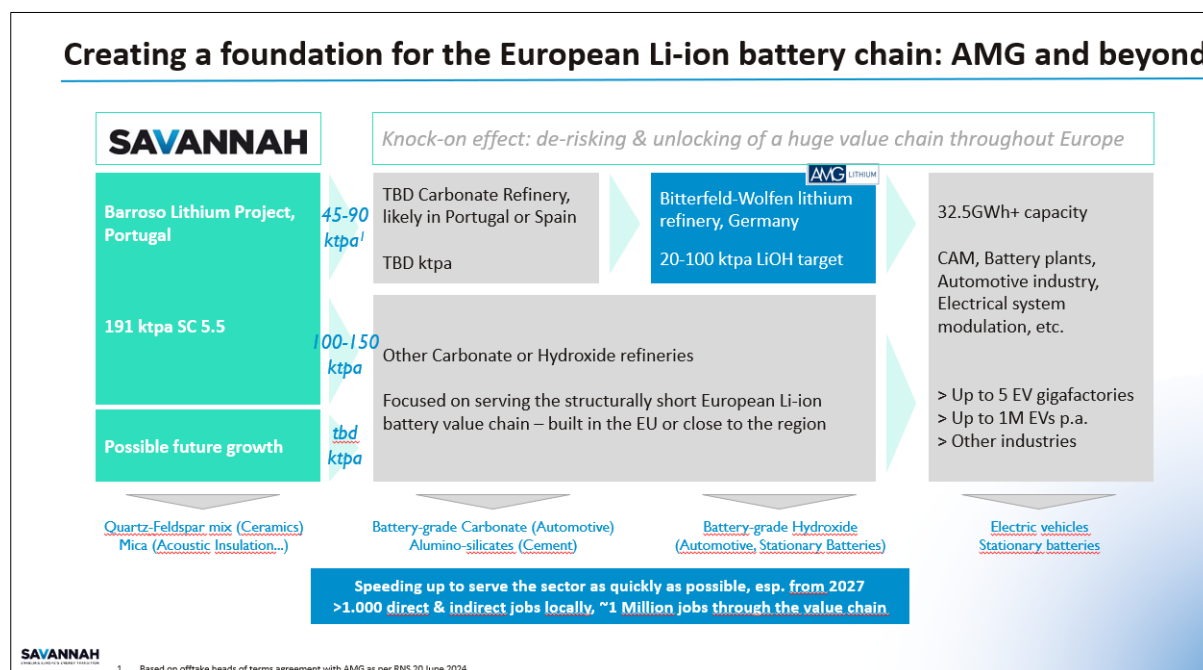
Following the milestones of the DIA and new Scoping Study, Savannah initiated a Strategic Partnering Process: Having attracted dozens of groups positioned along the lithium battery chain or looking to enter it, the first phase of the process which was initiated in July 2023 was concluded in June 2024 with the announcement of established lithium industry player, AMG Advanced Critical Materials N.V. ('AMG') as Savannah's first strategic partner on the Project. With an equity investment of GBP16m at a price of 4.67p (representing a 35% premium to the 30-day VWAP at the time), AMG became the Company's largest shareholder with a 15.77% stake.

The partnership also includes an offtake heads of terms agreement (the 'Offtake HoT') through which, once final agreements are negotiated and signed, AMG can purchase 45ktpa of spodumene concentrate from the Project (approximately 25% of total) for 5 years based on prevailing market prices at the time.

This offtake can be increased to 90ktpa for 10 years if AMG helps Savannah to secure a 'full financing solution' for the Project. The first outcome of this potential financing activity was announced in December 2024, with confirmation from Euler Hermes AG, the export credit agency acting for the German Government, that due to the offtake with AMG feeding a critical raw material into the German economy, the Project is eligible for a German Government backed guarantee on a loan up to USD270 million.

Savannah can also benefit from AMG's expertise in the sector and is deepening its relationship with its partner via the presence on the Company's Board of Mike Connor, AMG's Chief Corporate Development Officer and a Board member. An additional Co-operation agreement between the parties will see the companies work together on a number of mutually beneficial opportunities including a study for joint construction of a feldspar/spodumene pilot plant in Portugal and a study for the construction of a Spodumene-to-Lithium Carbonate refinery in Portugal or Spain.

Looking ahead, having retained 100% ownership of the Project and with at least 50% of the Project's future spodumene concentrate unallocated, Savannah has significant leverage with which to form further strategic partnerships. As Savannah moves through the current 'study' phase of the Project's development and towards a Final Investment Decision, it expects to engage with further industry players.



Source: Company

The Barroso Lithium Project – a first for Portugal in the new lithium battery industry

Portugal is already established as Europe's 'largest' lithium producer with approximately 380t produced in 2024 (source: USGS). However, all of the country's current lithium production is used in the domestic ceramics and glassware industries, and not in lithium battery production. Significant lithium mineralisation exists in Portugal, including at the Barroso Lithium Project, and in 2018 the Portuguese Government announced its 'lithium strategy' to support the development of a new national manufacturing industry to service the growing lithium battery market in Europe.

BARROSO LITHIUM PROJECT OVERVIEW

As part of this strategy, the Portuguese Government has earmarked six areas which are prospective for lithium mineralisation that will be made available for exploration via a public tender process in due course. This follows the publication of strategic environmental assessments on an initial nine areas and a public consultation round which was completed in December 2021. As the most advanced lithium development company in the country, Savannah plans to participate in the tender process when it is initiated.

In parallel with its plans to develop its lithium mining industry, the government published new legislation relating to mineral deposits in 2021, Decree-Law 30/2021 from 7 May, which sets more demanding standards of environmental sustainability, the sharing of economic benefits with the populations and gives more powers to municipality-level administrators in regard to mineral project development.

Given its own focus on low impact project design and maximising the benefits which can flow from mineral project development to stakeholders, Savannah welcomed this new legislation. The Company is already committed to developing the Barroso Lithium Project in a responsible way by applying the best international practices that minimise the impact associated with the operation so that the maximum overall environmental benefit is gained from the lithium once it is incorporated into batteries. It also means that Savannah is dedicated to ensuring the best outcomes for the Project's stakeholders in terms of social, demographic and economic benefits (see ESG section for further details).

While larger scale lithium mining alone would represent a new industry for Portugal, the government has stated that it wants to develop a domestic lithium industry that goes beyond mining and features downstream stages such as lithium chemical production. Hence, the Barroso Lithium Project must be seen as part of the first phase in the development of a much larger national concern. As a result of these objectives, the Barroso Lithium Project has consistently received strong support from the national government. There is also clear support for the development of European domestic critical raw material (CRMs) production from the European Commission. The EU's Critical Raw Material Act, which was enacted in 2023 and came into force in 2024, calls for at least 10% of Europe's demand for CRMs, including lithium, to be met from domestic supply from 2030 onwards. As noted above, the Project was classified as a 'Strategic Project' under the Critical Raw Materials Act in March 2025 and hence qualifies for support from the Commission and its agencies and institutions to become operational. When it does come online, the Project and Portugal will make a significant contribution to the 10% supply target and be placed at the centre of the new European lithium battery supply chain.

With the transport sector the second largest generator of emissions (CO₂ equivalent) in the EU behind energy supply, the transition to mass adoption of zero or low emission vehicles powered by lithium batteries is a key part of the European Commission's target of achieving a net zero carbon economy by 2050. A domestic lithium battery value chain, featuring assets such as the Barroso Lithium Project and AMG's lithium hydroxide refinery in Germany, will be critical in the bloc's efforts to combat climate change while maintaining the region's large automotive industry and achieving greater renewable energy generation and storage.

REPORT OF THE DIRECTORS

The Directors present their report with the Financial Statements of the Company and the Group for the year ended 31 December 2024.

Dividends

The Directors do not recommend the payment of a dividend (2023: GBPnil).

Events Since the Reporting Date

This information is contained in Note 23 to the Financial Statements.

Directors

The Directors who have held office during the period from 1 January 2024 to the date of this report (unless otherwise stated) are as follows:

Rick Anthon (appointed on 25 June 2024)
Mike Connor (appointed on 19 August 2024)
Dale Ferguson
Bruce Griffin
Mary Jo Jacobi (retired from the Board on 25 June 2024)
Matthew King (retired from the Board on 25 June 2024)
James Leahy (retired from the Board on 25 June 2024)
Emanuel Proença (appointed on 15 April 2024)
Diogo da Silveira
Mohamed Sulaiman

Directors' Indemnity

The Group has agreed to indemnify its Directors against third party claims which may be brought against them and has in place a Directors and Officers' insurance policy.

Financial Instruments Risk

This information is contained in Note 18 to the Financial Statements.

Future Development

This information is contained in the Chairman's Statement and the Chief Executive's Report.

Key Stakeholder Groups and Principal Decisions

Details of how the Directors have had regard to the need to foster Savannah's business relationships with suppliers and others, and the principal decisions taken by the Company during the year, can be found in the Strategic report in Section 172 (1) Statement.

Going Concern

This information is contained in the Strategic Report in the Key Financial Performance Indicators and Milestones section and in Note 1.

Streamlined Energy & Carbon Reporting ('SECR')

The Group does not meet the SECR requirements as it is not a large company, as defined by the UK Companies Act 2006, and therefore is not required to perform this reporting.

Statement as to Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

REPORT OF THE DIRECTORS

The Directors' beneficial interests (including the beneficial interests of their immediate family) in the ordinary shares of the Company are as follows:

	No. of shares held at 31 December 2024	No. of shares held at 31 December 2023
Rick Anthon	-	-
Mike Connor ¹	-	-
Dale Ferguson	27,600,125²	51,037,625 ²
Bruce Griffin	1,110,572	1,110,572
Emanuel Proença	2,736,880	725,000
Diogo da Silveira	1,070,663	1,070,663
Mohamed Sulaiman ³	-	-

¹ The Director indicated is a representative of AMG Critical Materials N.V., which through its subsidiary AMG Lithium B.V. held 342,612,420 shares at the reporting date (2023: nil shares)

² 22,898,139 shares (2023: 46,335,639 shares) held indirectly through Slipstream Resources International Pty Ltd

³ The Director indicated is a representative of Al Marjan Ltd which held 275,762,589 shares at the reporting date (2023: 275,762,589 shares)

Details of Directors' remuneration are disclosed in the Remuneration Report.

Details of Directors' interests in Share Options are disclosed in the Remuneration Report.

Substantial Shareholding

At the date of this report the Company has been notified or is aware of the following interest in the shares of the Company of 3% or more of the Company's total issued Share Capital¹:

Name of Shareholder	No. of shares	%
AMG Lithium B.V. (Director ²)	342,612,420	15.77%
Al Marjan Ltd (Director ³)	275,762,589	12.69%
Mário Nuno dos Santos Ferreira	217,277,421	10.00%
Grupo Lusiaves SGPS, S.A.	205,266,454	9.45%
Slipstream Resources International Pty Ltd	73,274,045	3.37%

¹ Except those exempts under DTR 5.1.5 regulation

² One Director is representative of AMG Critical Materials N.V., parent company of AMG Lithium B.V.

³ One Director is representative of Al Marjan

On behalf of the Board:

Emanuel Proença
Chief Executive Officer

Date: 9 April 2025

REMUNERATION REPORT

The Nomination and Remuneration Committee is comprised of Bruce Griffin (Chair), Rick Anthon and Diogo da Silveira.

James Leahy served as the Chairman of the Nomination and Remuneration Committee until his retirement from the Board effective 25 June 2024.

The main purpose of the Nomination and Remuneration Committee is to:

- be independent Non-Executive Directors in determining and reviewing the remuneration of executives on behalf of the 'Board;' and
- ensure that remuneration policies and packages attract, retain and motivate quality Directors and Senior Management whilst not exceeding market rates.

Procedures for developing policy and fixing remuneration

The Nomination and Remuneration Committee fixes executive remuneration and ensures that no Director is involved in deciding his own remuneration. The Nomination and Remuneration Committee is authorised to obtain outside professional advice and expertise. The Nomination and Remuneration Committee is authorised by the Board to investigate any matter within its Terms of Reference, and it is authorised to seek information that it requires from employees and professional advisers.

Details of the remuneration policy

The fees to be paid to the Executive Directors and Senior Management are set by the Nomination and Remuneration Committee. Non-Executive Directors fees are determined by the Board as a whole, based on a review of the current practices in other companies and recommendations by the CEO, Technical Director and CFO.

Directors' service agreements

Service agreements for Directors and Senior Management are terminable by either party on notice periods up to a maximum of 6 months.

Directors' remuneration

The following remuneration information comprises Directors' fees and 'benefits in kind' that were paid to the Directors during the year:

	Directors' emoluments 2024					Total	Directors' emoluments 2023					Total
	Salary	Bonus	Non-cash Shares/ Share Options	Other Benefits			Salary	Bonus	Non-cash Shares/ Share Options	Other Benefits		
	£	£	£	£	£	£	£	£	£	£	£	
Executive Directors												
Dale Ferguson	155,365	132,979 ¹	18,566	-	306,910 ¹	298,190	66,986 ¹	37,338	-	-	402,514	
Emanuel Proença ⁴	224,050	221,945 ¹	140,016 ³	23,913	609,924 ¹	99,608 ²	- ³	74,481 ³	641	-	174,730	
Non-Executive Directors												
Rick Anthon ⁵	43,935	-	-	-	43,935	-	-	-	-	-	-	
Mike Connor ⁶	-	-	-	-	-	-	-	-	-	-	-	
Bruce Griffin ⁷	44,000	-	-	-	44,000	12,111	-	-	-	-	12,111	
Mary Jo Jacobi ⁸	29,385	-	-	-	29,385	40,000	-	-	-	-	40,000	
Matthew King ⁸	47,750	-	-	-	47,750	65,000	-	-	-	-	65,000	
James Leahy ⁸	29,385	-	-	-	29,385	40,000	-	-	-	-	40,000	
Diogo da Silveira ⁹	117,750	-	-	-	117,750	50,000	-	-	-	-	50,000	
Mohamed Sulaiman	-	-	-	-	-	-	-	-	-	-	-	
	691,620	354,924	158,582	23,913	1,229,039	604,909	66,986	111,819	641	-	784,355	

REMUNERATION REPORT

¹ 2024 Bonus unpaid as at 31 December 2024. 2023 Bonus unpaid as at 31 December 2023

² 2023 Includes GBP39,799 related to employment related accruals under Portuguese labour law (e.g., holiday accrual)

³ Bonus from 2023 has been settled by the issue in 2024 of 2,011,880 new ordinary shares of 1 pence each over the Company's Share Capital, of which GBP43,423.08 was recognised in 2023 under Non-cash Shares/Share options, and GBP31,016.48 has been recognised in 2024

⁴ Appointment as Director on 15 April 2024

⁵ Appointment as Director on 25 June 2024

⁶ Appointment as Director on 19 August 2024

⁷ 2024 includes 12 months salary (2023: 3.5 months salary)

⁸ Retirement from the Board as Directors on 25 June 2024

⁹ A one-off payment of GBP 60,000 was made in recognition of additional workload carried out and the annual fee for the role of Deputy Chair was increased by GBP 15,000 per annum to GBP 65,000 per annum (was GBP 50,000 per annum) from 25 June 2024

The Board recognises that Directors' remuneration is a legitimate concern of the Company's shareholders and it is committed to following the current best business practices. The Company operates within a competitive environment and its performance depends on the individual contributions of the Directors.

The Board's policy is to provide executive remuneration packages designed to attract, motivate and retain directors of the calibre necessary to advance the Company's position and to reward the Directors (and Senior Management) for enhancing shareholder value and return. The Company aims to provide sufficient levels of remuneration to do this, but to avoid paying more than necessary; the remuneration will also reflect the Directors' duties and responsibilities.

The bonus amounts payable to the CEO and Technical Director for the 2024 financial year related to performance against key, previously agreed objectives. These objectives consisted of share price performance, progressing of the DFS, secure land access conditions allowing drilling, completion of strategic investment, unlock critical value for the Company by delivering on key Company 'to do list' elements and personal contribution to Team and Company Goals.

Performance against these criteria was assessed by the Nomination and Remuneration Committee.

Following the successful completion of his 6-month probationary period, Emanuel Proença was appointed as an Executive Director to the Company's Board of Directors with a commencement date of 15 April 2024. Emanuel Proença elected to take his fixed 2023 bonus in shares in lieu of cash.

In the calendar year, the Board appointed a new Company Chairman in June 2024 with Rick Anton replacing Matthew King who retired from the Board. This also coincided with a number of changes on the Board with Mary Jo Jacobi and James Leahy (Non-Executive Directors), retiring from the Board and Diogo da Silveira being appointed as the Company's Deputy Chair in a new role for the Company.

The Company sought advice from Russell Reynolds Associates (which led the competitive executive search process for the Chairman role) for the remuneration benchmarking and implementation thereof in line with the Company's framework.

On the new role of Deputy Chair, a benchmarking exercise was conducted by the Executive Management Team and an increase in fee from GBP 50,000 to GBP 65,000 was approved effective from the appointment.

Mike Connor joined the Board as a Non-Executive Director in June 2024 representing the Company's largest shareholder, AMG Lithium B.V., and is not paid for the role.

Emanuel Proença and Dale Ferguson were awarded a 4.0% pay rise in 2024 (effective from 1 July 2024).

Remuneration Policy and Long-Term Incentive Plan

In 2019, the Remuneration Committee undertook a review of remuneration packages and developed a new remuneration policy aimed at rewarding performance, encouraging retention of key staff and aligning their interests with those of shareholders. This resulted in a long-term incentive plan (LTIP) intended to support this policy being implemented in March 2019 which is designed to incentivise the Company's Executive Management Team and other key employees. Along with the implementation of the LTIP, the Remuneration Committee established an overall remuneration policy which included benchmarking exercises, feedback from institutional shareholders and engaging internationally recognised consulting firm Alvarez and Marsal. This resulted in a remuneration policy for the Executive Directors which combines short term incentives ('STI' – cash bonus which

REMUNERATION REPORT

is assessed against key business objectives) and long-term incentives ('LTI' – under the Company's LTIP).

The STI is based upon maximum potential bonus of 100% of base salary for the CEO / Technical Director and is assessed against key business objectives.

The LTIP was established to encourage long-term value creation for Savannah's shareholders and to align the interests of the participants with shareholders. Awards under the LTIP take the form of options over the Company's ordinary shares of 1 pence each (the 'Options'). The Board believes that the implementation of the LTIP will incentivise the participants and will also help Savannah to attract and retain talented individuals in the future as the Company expedites the development of its mining projects. The LTIP allows for up to 7.5% of the Company's issued share capital to be allocated to employees. The Remuneration Committee adopted a policy whereby up to 5% of the Company's issued share capital should be made available via the LTIP to the Executive Management Team only, with the balance being available to other employees. These percentages are reviewed annually by the Company's Nomination and Remuneration Committee and did not change between 2023 and 2024. The LTIP also includes malus and clawback clauses.

The LTIP is a Share Option scheme of the kind commonly adopted by listed companies. The Nomination and Remuneration Committee took advice and recommendations from leading remuneration consultancy, Alvarez and Marsal. The Nomination and Remuneration Committee is responsible for monitoring the appropriateness of the Company's LTIP scheme, and the overall remuneration framework and following changes in its composition is reviewing the overall remuneration framework.

The Directors' interests in the Share Options of the Company are as follows:

	Options at 1 Jan 2024	Quantity granted during the year	Exercised During the year	Lapsed theDuring year	Options at the31 Dec 2024	Exercise price	Date of the grant	First date of exercise	Final date of exercise
Dale Ferguson ¹	3,000,000	-	-	(3,000,000)	-	10.0p	11/03/19	11/03/22	11/03/24
Dale Ferguson ²	3,625,000	-	-	-	3,625,000	4.7p	30/06/21	30/06/24	30/06/29
Dale Ferguson ²	3,625,000	-	-	-	3,625,000	6.2p	30/06/21	30/06/24	30/06/29

	Options at 1 Jan 2023	Quantity granted during the year	Exercised During the year	Lapsed theDuring year	Options at the31 Dec 2023	Exercise price	Date of the grant	First date of exercise	Final date of exercise
Dale Ferguson ¹	3,000,000	-	-	-	3,000,000	10.0p	11/03/19	11/03/22	11/03/24
Dale Ferguson ²	3,625,000	-	-	-	3,625,000	4.7p	30/06/21	30/06/24	30/06/29
Dale Ferguson ²	3,625,000	-	-	-	3,625,000	6.2p	30/06/21	30/06/24	30/06/29

¹ Granted under the 2019 LTIP

² Granted under the 2021 LTIP

In addition, to the Share Options included in the above table, the Company is contractually committed to issue a total of 20,000,000 Share Options to the CEO, Emanuel Proença, as part of the agreement signed in September 2023. The details of which are as follows:

- 10,000,000 share options with exercise price 4.74p, start date 18 September 2023, vesting date 18 September 2026 and expiry date 18 September 2031.
- 10,000,000 share options with exercise price 6.32p, start date 18 September 2023, vesting date 18 September 2026 and expiry date 18 September 2031.

The Company is working through eligibility criteria relating to the Portuguese regulatory framework in respect of Share Options, which combined with outcomes of a review of the awards and targets for the LTIP covering the development period from 2025 to 2027, is planned to result in substituting these Share Options with a combination of a new LTIP award and a reduced quantity of Share Options (relating to the proportional vesting of the committed Share Options).

A share based payment charge has been recognised during the year for these share options to be issued.

No Share Options were granted to the Non-Executive Directors.

REMUNERATION REPORT

The QCA updated its Corporate Governance Code and recommended that companies start to apply its new (2023) code in respect of accounting periods commencing on or after 1 April 2024. In respect of Principle 9 (Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture), the Company has started to review how the Company's Remuneration Policy is aligned with the Company's purpose, strategy and culture to motivate Management and promote long-term growth in shareholder value.

On behalf of the Board:

Bruce Griffin

Chair of the Nomination and Remuneration Committee

Date: 9 April 2025

CORPORATE GOVERNANCE STATEMENT

Savannah strives to ensure the Corporate Governance policies and procedures which are in place across the Group are of a high standard. The Board acknowledges the importance of good Corporate Governance and in light of the Group's size and rate of progression, decided to adopt the provisions of the Quoted Companies Alliance ('QCA') Corporate Governance Code in September 2018 ('the Code').

The Corporate Governance Statement in relation to the principles of the QCA Corporate Governance Code is provided on the Company website at www.savannahresources.com/investors/corporate-governance.

The QCA has launched an updated 2023 Code. The Company has begun a review of the key changes to consider in good time any enhancements to the Company's existing Corporate Governance arrangements and any necessary updates to the Company's procedures and disclosures which will be reported in the Annual Report and Financial Statements for the year ending 31 December 2025.

The Code is described as a practical, outcome orientated approach to Corporate Governance that is tailored for small and mid-size companies. It is a valuable reference for growing companies wishing to follow good governance practice. The Company has adopted the Code because it allows it to take a flexible yet adequate approach to Corporate Governance, ensuring that the Company places the right people in the right roles and to ensure that right things are being done to deliver value for all its stakeholders.

Following the appointment of Rick Anthon as Savannah's Chairman in June 2024, the Company conducted a review of its governance structures and processes. This review resulted in changes that were introduced in late 2024 / early 2025, including: the disbandment of the AIM Rule Compliance Committee (mitigated by other existing controls and the adoption of an annual report out of compliance to the Audit and Risk Committee; the consolidation of the Nomination and Remuneration Committees into one Committee; and the creation by the Company of a new Sustainability Committee. Changes were made to the composition of the Committee's to ensure that they were matched to the most appropriate skillsets of the revised Board (the changes are detailed below).

The Board of Directors

The Board comprises of two Executive Directors, and five Non-Executive Directors. Ordinarily, the Board formally meets approximately every quarter and convenes for business updates in between those formal meetings. The Board is responsible for setting and monitoring group strategy, reviewing budgets and financial performance, ensuring adequate funding, examining major portfolio management matters, formulating policy on key issues and reporting to the shareholders.

Various board changes occurred in 2024: following the successful completion of his 6-month probationary period, Emanuel Proença was appointed as an Executive Director to the Company's Board of Directors with a commencement date of 15 April 2024.

Matthew King retired as the Company Chairman effective from 25 June 2024 with James Leahy and Mary Jo Jacobi also resigning as Non-Executive Directors at the same time. Mr King was replaced by Rick Anthon as Company Chairman. Mr Anthon is a seasoned Lithium industry professional, having worked full time in the Lithium sector for almost 10 years and brings significant industry experience to the Board, including the lithium sector specific knowledge he gained while working in the senior management team of Allkem.

Diogo da Silveira was appointed as the Deputy Chair effective from 25 June 2024 in a new role for the Company. Mr da Silveira has been instrumental in engaging with Portuguese stakeholders since his appointment, acting as the Company's senior in country representative.

Following the investment from the Company's new largest shareholder and strategic partner, AMG Critical Materials N.V., Mike Connor, was appointed as a Non-Executive Director of the Company effective from 20 August 2024 as per the terms of the subscription agreement. Mr Connor brings highly relevant lithium sector knowledge to Savannah, which he has gained while helping AMG build their own lithium business over recent years.

These changes to the Board bring deep sector experience and knowledge required across mining, lithium, Portuguese and international business, and capital markets to deliver the Project and create value for shareholders.

Rick Anthon (Chairman), Emanuel Proença (CEO) and Non-Executive Directors Bruce Griffin and Diogo da Silveira are all deemed to be independent Directors by the Company, in compliance with the QCA 2023 Code (Principle 6), Board's recommendation of having more than 50% of the Board being Independent Directors.

CORPORATE GOVERNANCE STATEMENT

These independent Directors hold 4,918,115 shares which represent 0.23% of the Company's issued Share Capital.

The Company took the decision to postpone the annual board evaluation program due to the aforementioned Board changes.

Internal Financial Control

The Board is responsible for establishing and maintaining the Group's system of internal financial controls. Internal financial control systems are designed to meet the particular needs of the Group and the risk to which it is exposed, and by its very nature can provide reasonable, but not absolute, assurance against material misstatement or loss. The Directors continue to review the effectiveness of the procedures presently in place to ensure that they are appropriate to the nature and scale of the operations of the Group.

Management completed a review and update of the Company's Financial Reporting Procedure.

The Audit and Risk Committee

The Audit and Risk Committee comprises of three Non-Executive Directors – Mohamed Sulaiman (who chairs the Committee), Rick Anthon and Mike Connor.

The Committee's key responsibilities with respect to audit are for ensuring that the financial performance of the Group is properly reported on and monitored, and for meeting the auditors and reviewing the reports from the auditors relating to accounts and internal controls. It also reviews the Group's annual and interim Financial Statements before submission to the Board for approval.

The Committee's key responsibilities with respect to risk are supporting the Board in its assessment of enterprise risk and the determination of risk appetite as part of the overall setting of strategy for the Group. It also assists the Board in its oversight of the Group's risk management framework including monitoring its effectiveness. The Group operates a Risk Register, with the intention of allowing risks to be identified, tracked and addressed in order to mitigate any potential damage to the Group or its businesses. The Committee facilitates the management of the Risk Register, in conjunction with the Board, senior managers and appropriate professional advisers. The Committee also reviews any items reported under the Company's Code of Conduct and whistleblowing procedure.

Management will report to the Committee on an annual basis the results of the review of the Company's systems for monitoring compliance with key governance laws and regulations (including but not limited to the Anti Bribery and Corruption – Annual Compliance Report and AIM Rules / Market Abuse Regulations).

In 2024 Internal Audit reviews were completed for UK and Portugal operating entities, and the results of the tests demonstrated that controls were adequate to the nature and scale of the operations of the entities, and no material instances of noncompliance were noted.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of three Non-Executive Directors – Bruce Griffin (who chairs the Committee), Rick Anthon, and Diogo da Silveira. It is responsible for reviewing the performance of the Executive Directors and Senior Management and for setting the scale and structure of their remuneration, paying due regard to the interests of shareholders as a whole and the performance of the Group. The remuneration of the Chairman and any Non-Executive Director is determined by the Board as a whole, based on a review of the current practices in other companies and recommendations by the Executive Directors, CEO, Technical Director and support from the CFO.

The Committee is also responsible for reviewing the structure, size, and composition of the Board of Directors, giving consideration to succession planning for Directors and Senior Executives, and identifying and nominating candidates for the approval of the Board as required. It is also responsible for monitoring the performance of the Board of Directors.

In 2024, the Committee, supported by Russell Reynolds Associates (which led the competitive search process), led the review for the remuneration package setting for Rick Anthon for the Chairman role including benefits benchmarking.

CORPORATE GOVERNANCE STATEMENT

The Sustainability Committee

The Sustainability Committee comprises of four Directors (two Executive Directors and two Non-Executive Directors) – Diogo da Silveira (who chairs the Committee), Bruce Griffin (NED), Dale Ferguson (Executive Director) and Emanuel Proença (Executive Director).

This is a newly implemented Committee for the Company whose role is ensuring that not only Savannah adheres to environmental regulations but also champions the broader principles of social equity and environmental stewardship.

The Committee will be an indispensable component of the Company committed to environmental responsibility and social equity. By driving initiatives that reduce environmental impact, promote fair labour practices, and engage with the community, the Committee helps ensure that the Company operates in a manner that is both ethical and sustainable. Through strategic planning, education, and continuous improvement, the Committee will play a critical role in shaping a sustainable future for the Company and its stakeholders.

Anti-Bribery and Corruption

It is the Group's policy to conduct business in an honest way, and without the use of corrupt practices or acts of bribery to obtain an unfair advantage in line with the UK Bribery Act 2010. The Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to counter bribery.

The necessary controls and procedures required in order to comply with the UK Bribery Act 2010 were updated by the Board in 2021 and will continue to be monitored for appropriateness and effectiveness.

FRC communication

The Financial Reporting Council (FRC) announced in 2023 the areas of supervisory focus including Mining as a priority sector as part of their reviews. The FRC randomly selected the Company to carry out a review of the Company's Annual Report and Accounts for the year ended 31 December 2023 in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures. The FRC review was based on the Company's Annual Report and Financial Statements and the FRC noted in their correspondence that it did not benefit from a detailed knowledge of the Group's business or an understanding of the underlying transaction that the Company had entered into. In a letter dated 30 October 2024, the FRC raised three substantive questions as follows:

1. The FRC queried the accounting treatment applied to a potential capital gains tax liability in relation to discontinued operations. In the Company's response we explained that the related expense was included as an operating expense within the loss on discontinued operations for the year because the discontinued operations transactions was not considered to be in scope for capital gains tax. The FRC did not consider it proportionate to question the classification of the expense further as it did not affect the results from continuing operations. In 2024, the Company has progressed work with its professional advisers on this matter and concluded that the transaction is under the scope of Capital Gains Tax (details explained in Note 19) and included a separate disclosure on tax expense included in Note 22 in the Annual Report and Accounts.

2. The FRC requested more information about the restricted cash balance and the related reversal of impairment disclosed in the consolidated statement of cash flows in relation to discontinued operations. The FRC welcomed the Company responses and the Company agreed to provide additional disclosures as required by IFRS 5 in future if another transaction arose.

3. The FRC requested the Company to explain a material difference between the additions to intangible exploration assets in the year and the related investing cash outflow reported in the consolidated statement of cash flows. The FRC confirmed that the Company provided a satisfactory response and the Company agreed to include an explanation about this difference in the financial statements. This can be found in Notes 8 and 10 in the Annual Report and Accounts.

Conclusion

The FRC confirmed to the Company in a letter dated 18 December 2024 that the enquiries in relation to the above questions were closed. In line with best practice the Company consented to the FRC publishing a summary of its findings on the FRC website.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors are required to prepare the Group and Company Financial Statements in accordance with UK adopted international accounting standards. Under Company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website Publication

The Directors are responsible for ensuring the Annual Report and the Financial Statements are made available on a website. Financial Statements are published on the Company's website (www.savannahresources.com) in accordance with legislation in the United Kingdom governing the preparation and dissemination of Financial Statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the Financial Statements contained therein.

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF SAVANNAH RESOURCES PLC

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Savannah Resources Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows and notes to the consolidated financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty relating to going concern

We draw attention to Note 1 to the financial statements which indicates that the Group and the Parent Company require additional funding, with no binding agreements currently in place. Therefore, there is no guarantee that the additional funding will be secured. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group and the Parent Company's ability to continue as going concerns.

The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate. Our opinion is not modified in respect of this matter.

Given the material uncertainty noted above and our risk assessment, we considered going concern to be a key audit matter.

Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting and in response to the key audit matter included the following:

- Assessing the reasonableness of the Directors' forecast expenditure for a period of at least 12 months from the date of approval of the financial statements, by reference to the Directors' budgeted activity and actual expenditure in 2024;
- Checking the mathematical accuracy of the forecast and agreeing current cash resources to supporting documentation;
- Assessing the mitigating actions available to Management, such as deferring uncommitted capital expenditure on the Barroso Lithium Project, and evaluating whether these actions are reasonable and within Management's control; and
- Reviewing the adequacy and consistency of the disclosures within the financial statements on going concern in relation to the Directors' assessment, including the key judgements made by the Directors.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF SAVANNAH RESOURCES PLC

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

	2024	2023
Key Audit Matters ("KAMs")		
	✓	✓
	✓	✓
Materiality	<i>Group financial statements as a whole</i>	
	£640,000 (2023: £461,000) based on 1.5% (2023: 1.5%) of total assets.	

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

From our risk assessment and planning procedures, we determined which of the Group's components were likely to include risks of material misstatement relevant to the Group's financial statements. We then determined the type of procedures to be performed at these components, and the extent to which component auditors were required to be involved.

The total number of components within the scope of our work was as follows:

	Number of components	
	2024	2023
Scope 1 - Audit procedures on entire financial information of the component	2	2
Scope 2 - Audit procedures on one or more account balances, classes of transactions or disclosures	3	3

As part of performing our Group audit, we have determined the components in scope as follows:

Scope 1 – Comprises the Group's principal operating subsidiary in Portugal (Savannah Lithium Unipessoal Limitada) and the Parent Company.

Scope 2 – Comprises the Group's subsidiary companies in the UK (AME East Africa Limited and Savannah Advisory Services Limited) and Mozambique (Matilda Minerals Limitada).

In determining components, we have considered how components are organised within the Group, and the commonality of control environments, legal and regulatory framework, and level of aggregation associated with individual entities. Whilst there is relative commonality of controls across the Group, differences in jurisdictional risk, and the legal and regulatory frameworks under which the entities operate, prevent the further amalgamation of components.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SAVANNAH RESOURCES PLC

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component, including performing substantive procedures; and
- procedures on one or more classes of transactions, account balances or disclosures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following:

Scope 1 – the audit procedures on these components were performed by the BDO network member firm in Portugal and by the Group Engagement Team.

Scope 2 – the audit procedures on these components were performed by the Group Engagement Team.

Locations

The Group's operations are primarily in the UK and Portugal.

The component audit team visited and conducted procedures at the Group's operations in Portugal.

In addition, the Group Engagement Team worked remotely, holding calls and video conferences with Savannah Resources Plc, and with digital information obtained from Savannah Resources Plc.

Changes from the prior year

There have been no significant changes on the Group audit scope from the prior year.

Working with other auditors

As Group auditor, we determined the components at which audit work was performed, together with the resources needed to perform this work. These resources included component auditors, who formed part of the Group Engagement Team. As Group auditor we are solely responsible for expressing an opinion on the financial statements.

In working with the component auditor, we held discussions with the component audit team on the significant areas of the Group audit relevant to the component based on our assessment of the Group risks of material misstatement. We issued our Group audit instructions to the component auditor on the nature and extent of their participation and role in the Group audit, and on the Group risks of material misstatement.

We directed, supervised and reviewed the component auditor's work. This included holding meetings and calls during various phases of the audit, reviewing component auditor documentation remotely and evaluating the appropriateness of the audit procedures performed and the results thereof.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter set out in the material uncertainty related to going concern section of our report, we have determined the matter described below to be the key audit matter to be communicated in our report.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF SAVANNAH RESOURCES PLC

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Carrying value of the Exploration and Evaluation Assets</p> <p>The Group holds one Exploration and Evaluation asset, being the Barroso Lithium Project in Portugal.</p> <p>In accordance with IFRS 6, Management is required to assess whether there are any indicators of impairment at least annually. This involves significant judgement by Management, as explained in the section on key judgements relating to the Carrying value of Exploration and Evaluation Assets in Note 1(c) to the financial statements.</p> <p>We therefore considered this to be a key audit matter</p>	<p>We evaluated whether Management’s assessment was performed in accordance with the requirements of IFRS 6. We challenged Management’s assessment of the indicators of impairment of the Barroso Lithium Project in Portugal, by performing the following procedures:</p> <ul style="list-style-type: none"> • Agreed Management’s assessment to third party supporting documentation where applicable, including the latest scoping studies and exploration and mining licence permits; • Reviewed the Group’s Mina do Barroso mining licence which expires in 2036 and has a 20-year extension available. We checked compliance with licence terms through inspecting supporting documents; • Reviewed Management’s plans and budgets to establish whether the Group is committed to the development of the project, and that substantive expenditure on further exploration and evaluation of mineral resources in the area is budgeted and planned. We also checked the consistency of these with their Going concern forecasts. • Considered whether the asset would be commercially viable with reference to the latest scoping study. • Reviewed RNS announcements, minutes of Directors’ meetings, and news articles to check whether there were any other potential impairment indicators. <p>Key observations:</p> <p>Based on the audit procedures performed, we consider the judgements made by management in their assessment of the carrying value of Exploration and Evaluation Assets to be reasonable.</p>

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

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TO THE MEMBERS OF SAVANNAH RESOURCES PLC

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Materiality	640	461	480	346
Basis for determining materiality	1.5% of total assets		75% of Group Materiality	
Rationale for the benchmark applied	We considered total assets to be the most significant determinant of the Group's financial performance for users of the financial statements as the Group continues to bring its mining assets through to production.		Capped at a percentage of Group materiality taking into account our assessment of component aggregation risk.	
Performance materiality	480	346	360	260
Basis for determining performance materiality	75% of Materiality			
Rationale for the percentage applied for performance materiality	The level of performance materiality was set after considering a number of factors including the expected value of known and likely misstatements and Management's attitude towards proposed misstatements based on past experience.			

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of between 1.5% and 95% (2023: 75% and 95%) of Group performance materiality dependent on a number of factors including size of component and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £7,000 to £456,000 (2023: £260,000 to £329,000).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £13,000 (2023: £9,200). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document entitled 'Annual Report and Financial Statements', other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF SAVANNAH RESOURCES PLC

Strategic report and Directors' report	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. <p>In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.</p>
Matters on which we are required to report by exception	<p>We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:</p> <ul style="list-style-type: none"> • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with Management and the Audit Committee; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SAVANNAH RESOURCES PLC

we considered the significant laws and regulations to be the Companies Act 2006, UK-adopted International Accounting Standards, tax legislation, AIM Listing Rules, and the Bribery Act 2010.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be tax legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax experts in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with Management and the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of Board and Audit Committee meetings to identify any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the area most susceptible to fraud to be management override of controls through inappropriate journal entries and bias in key estimates and judgements.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Reviewing the Group's year end adjusting entries, consolidation entries and investigating any that appear unusual as to nature or amount by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias (refer to Carrying value of the Exploration and Evaluation Assets key audit matter).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including component auditors, who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component auditors, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF SAVANNAH RESOURCES PLC

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sameera Amarasiri (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

9 April 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 £	2023 £
CONTINUING OPERATIONS			
Revenue		-	-
Other Income		-	-
Administrative Expenses		(4,250,179)	(3,477,405)
Foreign Exchange Loss		(438,018)	(81,116)
OPERATING LOSS		(4,688,197)	(3,558,521)
Finance Income		265,451	108,286
Finance Costs		(2,855)	(555)
LOSS FROM CONTINUING OPERATIONS BEFORE TAX	4	(4,425,601)	(3,450,790)
Tax expense		-	-
LOSS FROM CONTINUING OPERATIONS AFTER TAX		(4,425,601)	(3,450,790)
GAIN/(LOSS) ON DISCONTINUED OPERATIONS NET OF TAX	22	181,859	(167,304)
LOSS AFTER TAX ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT		(4,243,742)	(3,618,094)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Net change in Fair Value Through Other Comprehensive Income of Equity Investments		(2,357)	(5,289)
Items that will or may be reclassified to profit or loss:			
Exchange Losses arising on translation of foreign operations		(729,046)	(237,364)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		(731,403)	(242,653)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT		(4,975,145)	(3,860,747)
(Loss)/Gain per share attributable to equity owners of the parent expressed in pence per share:			
Basic and diluted			
From Operations	7	(0.21)	(0.20)
From Continued Operations	7	(0.22)	(0.20)
From Discontinued Operations	7	0.01	(0.00)

The Notes form part of these Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Intangible Assets	8	21,621,293	18,391,089
Right-of-Use Assets	9	377,258	56,378
Property, Plant and Equipment	10	1,879,337	1,660,135
Other Receivables	12	513,407	432,003
Other Non-Current Assets	13	78,381	92,869
TOTAL NON-CURRENT ASSETS		24,469,676	20,632,474
CURRENT ASSETS			
Investments at FVTOCI		4,331	6,688
Trade and Other Receivables	12	562,564	426,065
Other Current Assets		-	166
Bank Deposits	14	2,844,220	-
Cash and Cash Equivalents	14	14,847,386	9,721,281
TOTAL CURRENT ASSETS		18,258,501	10,154,200
TOTAL ASSETS		42,728,177	30,786,674
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share Capital	15	21,727,742	18,281,499
Share Premium		59,215,369	46,598,337
Shares to be Issued		-	43,423
Merger Reserve		6,683,000	6,683,000
Foreign Currency Reserve		(339,480)	389,566
Share Based Payment Reserve		673,738	600,709
FVTOCI Reserve		(48,681)	(46,324)
Retained Earnings		(48,720,156)	(44,606,003)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		39,191,532	27,944,207
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease Liabilities	16	301,921	39,033
Non-Current Trade and Other Payables	17	133,587	-
TOTAL NON-CURRENT LIABILITIES		435,508	39,033
CURRENT LIABILITIES			
Lease Liabilities	16	77,140	17,345
Trade and Other Payables	17	2,519,725	1,993,060
Income Tax (CGT) Provisions	19	504,272	793,028
TOTAL CURRENT LIABILITIES		3,101,137	2,803,433
TOTAL LIABILITIES		3,536,645	2,842,466
TOTAL EQUITY AND LIABILITIES		42,728,177	30,786,674

The Financial Statements were approved and authorised for issue by the Board of Directors on 9 April 2025 and were signed on its behalf by:

Emanuel Proença
Chief Executive Officer
Company number: 07307107

The Notes form part of these Financial Statements

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Notes	2024 £	2023 £
ASSETS			
NON-CURRENT ASSETS			
Investments in Subsidiaries	11	601,420	333,740
Other Receivables	12	39,365,256	34,451,813
TOTAL NON-CURRENT ASSETS		39,966,676	34,785,553
CURRENT ASSETS			
Equity instruments at FVTOCI		4,331	6,688
Trade and Other Receivables	12	226,478	146,252
Bank Deposits	14	2,844,220	-
Cash and Cash Equivalents	14	13,301,153	8,226,519
TOTAL CURRENT ASSETS		16,376,182	8,379,459
TOTAL ASSETS		56,342,858	43,165,012
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share Capital	15	21,727,742	18,281,499
Share Premium		59,215,369	46,598,337
Shares to be Issued		-	43,423
Merger Reserve		6,683,000	6,683,000
Share Based Payment Reserve		673,738	600,709
FVTOCI Reserve		(48,681)	(46,324)
Retained Earnings		(33,125,624)	(29,540,322)
TOTAL EQUITY		55,125,544	42,620,322
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	17	1,217,314	544,690
TOTAL LIABILITIES		1,217,314	544,690
TOTAL EQUITY AND LIABILITIES		56,342,858	43,165,012

The Company Loss for the financial year was GBP3,714,891 (2023: Loss GBP2,109,648) (Note 6).

The Financial Statements were approved and authorised for issue by the Board of Directors on 9 April 2025 and were signed on its behalf by:

Emanuel Proença
Chief Executive Officer
Company number: 07307107

The Notes form part of these Financial Statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Share Capital £	Share Premium £	Shares to be Issued £	Merger Reserve £	Foreign Currency Reserve £	Share Based Payment Reserve £	FVTOCI Reserve £	Retained Earnings £	Total Equity £
At 1 January 2023	16,889,598	41,693,178	-	6,683,000	626,930	403,749	(41,035)	(40,999,879)	25,255,541
Loss for the year	-	-	-	-	-	-	-	(3,618,094)	(3,618,094)
Other Comprehensive Income	-	-	-	-	(237,364)	-	(5,289)	-	(242,653)
Total Comprehensive Income for the year	-	-	-	-	(237,364)	-	(5,289)	(3,618,094)	(3,860,747)
Issue of Share Capital (net of expenses)	1,391,901	4,905,159	-	-	-	-	-	-	6,297,060
Share based payment charges	-	-	43,423	-	-	208,930	-	-	252,353
Lapse of options	-	-	-	-	-	(11,970)	-	11,970	-
At 31 December 2023	18,281,499	46,598,337	43,423	6,683,000	389,566	600,709	(46,324)	(44,606,003)	27,944,207
Loss for the year	-	-	-	-	-	-	-	(4,243,742)	(4,243,742)
Other Comprehensive Income	-	-	-	-	(729,046)	-	(2,357)	-	(731,403)
Total Comprehensive Income for the year	-	-	-	-	(729,046)	-	(2,357)	(4,243,742)	(4,975,145)
Issue of Share Capital (net of expenses)	3,426,124	12,562,712	-	-	-	-	-	-	15,988,836
Shares issued in lieu	20,119	54,320	(74,439)	-	-	-	-	-	-
Share based payment charges	-	-	31,016	-	-	202,618	-	-	233,634
Lapse of options	-	-	-	-	-	(129,589)	-	129,589	-
At 31 December 2024	21,727,742	59,215,369	-	6,683,000	(339,480)	673,738	(48,681)	(48,720,156)	39,191,532

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Share Capital	Amounts subscribed for share capital at nominal value
Share Premium	Amounts subscribed for share capital in excess of nominal value less costs of fundraising
Shares to be Issued	Shares for which consideration has been received but which are not issued yet
Merger Reserve	Amounts subscribed for share capital in excess of nominal value in respect of the consideration paid in an acquisition arrangement, when the issuing company takes its interest in another company from below 90% to 90% or above equity holding
Foreign Currency Reserve	Gains/losses arising on retranslating the net assets of group operations into Pound Sterling
Share Based Payment Reserve	Represents the accumulated balance of share based payment charges recognised in respect of asset acquired and share options granted by Savannah Resources Plc, less transfers to retained losses in respect of options exercised, lapsed and forfeited
FVTOCI Reserve	Cumulative changes in fair value of equity investments classified at fair value through other comprehensive income (FVTOCI)
Retained Earnings	Cumulative net gains and losses recognised in the Consolidated Statement of Comprehensive Income and other transactions recognised directly in Retained Earnings

The Notes form part of these Financial Statements

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Share Capital	Share Premium	Shares to be Issued	Merger Reserve	Share Based Payment Reserve	FVTOCI Reserve	Retained Earnings	Total Equity
	£	£	£	£	£	£	£	£
At 1 January 2023	16,889,598	41,693,178	-	6,683,000	403,749	(41,035)	(27,442,644)	38,185,846
Profit for the year	-	-	-	-	-	-	(2,109,648)	(2,109,648)
Other Comprehensive Income	-	-	-	-	-	(5,289)	-	(5,289)
Total Comprehensive Income for the year	-	-	-	-	-	(5,289)	(2,109,648)	(2,114,937)
Issue of Share Capital (net of expenses)	1,391,901	4,905,159	-	-	-	-	-	6,297,060
Share based payment charges	-	-	43,423	-	208,930	-	-	252,353
Lapse of options	-	-	-	-	(11,970)	-	11,970	-
At 31 December 2023	18,281,499	46,598,337	43,423	6,683,000	600,709	(46,324)	(29,540,322)	42,620,322
Profit for the year	-	-	-	-	-	-	(3,714,891)	(3,714,891)
Other Comprehensive Income	-	-	-	-	-	(2,357)	-	(2,357)
Total Comprehensive Loss for the year	-	-	-	-	-	(2,357)	(3,714,891)	(3,717,248)
Issue of Share Capital (net of expenses)	3,426,124	12,562,712	-	-	-	-	-	15,988,836
Shares issued in lieu	20,119	54,320	(74,439)	-	-	-	-	-
Share based payment charges	-	-	31,016	-	202,618	-	-	233,634
Lapse of options	-	-	-	-	(129,589)	-	129,589	-
At 31 December 2024	21,727,742	59,215,369	-	6,683,000	673,738	(48,681)	(33,125,624)	55,125,544

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Share Capital	Amounts subscribed for share capital at nominal value
Share Premium	Amounts subscribed for share capital in excess of nominal value less costs of fundraising
Shares to be Issued	Shares for which consideration has been received but which are not issued yet
Merger Reserve	Amounts subscribed for share capital in excess of nominal value in respect of the consideration paid in an acquisition arrangement, when the issuing company takes its interest in another company from below 90% to 90% or above equity holding
Share Based Payment Reserve	Represents the accumulated balance of share based payment charges recognised in respect of asset acquired and share options granted by Savannah Resources Plc, less transfers to retained losses in respect of options exercised, lapsed and forfeited
FVTOCI Reserve	Cumulative changes in fair value of equity investments classified at fair value through other comprehensive income (FVTOCI)
Retained Earnings	Cumulative net gains and losses recognised in the Consolidated Statement of Comprehensive Income and other transactions recognised directly in Retained Earnings

The Notes form part of these Financial Statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 £	2023 £
Cash flows used in operating activities			
Loss for the year		(4,243,742)	(3,618,094)
Depreciation and amortisation charges	9, 10	48,483	22,095
Share based payment charge – Share Options	4, 21	202,618	208,930
Shares based payment charge – Shares to be issue in lieu of bonus	4, 15	31,016	43,423
Finance Income		(265,451)	(108,286)
Finance Costs		2,855	555
Reverse impairment other assets		-	(710,467)
Decrease tax provision	19	(301,124)	-
Foreign Exchange Losses	4	443,675	131,325
Cash flow used in operating activities before changes in working capital		(4,081,670)	(4,030,519)
(Increase)/Decrease in Trade and Other receivables		(173,725)	140,148
Increase in Trade and Other Payables		676,547	982,457
Net cash used in operating activities		(3,578,848)	(2,907,914)
Cash flow used in investing activities			
Purchase of Intangible Exploration Assets	8	(3,989,253)	(1,456,075)
Purchase of Tangible Fixed Assets	10	(213,564)	(120,573)
Set up Bank Deposits	14	(2,844,220)	-
Interest received		242,665	96,367
Net cash used in investing activities		(6,804,372)	(1,480,281)
Cash flow from financing activities			
Proceeds from issues of ordinary shares (net of expenses)	15	15,988,836	6,297,060
Principal paid on Lease Liabilities	16	(29,989)	(9,252)
Interest paid on Lease Liabilities	16	(2,855)	(555)
Net cash from financing activities		15,955,992	6,287,253
Increase in Cash and Cash Equivalents		5,572,772	1,899,058
Cash and Cash Equivalents at beginning of year	14	9,721,281	7,202,334
Increase Restricted Cash	14	-	701,903
Exchange Losses on Cash and Cash Equivalents		(446,667)	(82,014)
Cash and Cash Equivalents at end of year	14	14,847,386	9,721,281

The Notes form part of these Financial Statements

**COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 £	2023 £
Cash flows used in operating activities			
(Loss)/Gain for the year		(3,714,891)	(2,109,648)
Impairment of Financial Assets		(27,826)	(466,912)
Share based payment reserve charge – Share Options	4, 21	202,618	208,930
Shares based payment charge – Shares to be issue in lieu of bonus	4, 15	31,016	43,423
Finance Income		(265,451)	(108,286)
Foreign Exchange Losses	4	2,084,777	728,241
Cash flow used in operating activities before changes in working capital		(1,689,757)	(1,704,252)
(Increase)/Decrease in Trade and Other Receivables		(570,049)	39,911
Increase in Trade and Other Payables		295,162	29,126
Net cash used in operating activities		(1,964,644)	(1,635,215)
Cash flow used in investing activities			
Investments in subsidiaries	11	(267,680)	-
Loans to subsidiaries		(7,421,441)	(3,260,033)
Proceeds from repayment of loans to subsidiaries		1,398,823	553,702
Set up Bank Deposits	14	(2,844,220)	-
Interest received		242,665	96,367
Net cash used in investing activities		(8,891,853)	(2,609,964)
Cash flow from financing activities			
Proceeds from issues of ordinary shares (net of expenses)	15	15,988,836	6,297,060
Proceeds from subsidiaries		380,482	-
Net cash from financing activities		16,369,318	6,297,060
Increase in Cash and Cash Equivalents		5,512,821	2,051,881
Cash and Cash Equivalents at beginning of year	14	8,226,519	6,241,356
Exchange Losses on Cash and Cash Equivalents		(438,187)	(66,718)
Cash and Cash Equivalents at end of year	14	13,301,153	8,226,519

The Notes form part of these Financial Statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. MATERIAL ACCOUNTING POLICIES

Basis of Preparation

These Consolidated Financial Statements and the Company Financial Statements have been prepared in accordance with UK adopted international accounting standards. The Consolidated Financial Statements and the Company Financial Statements have been prepared under the historical cost convention with the exception of Fair Value Through Other Comprehensive Income ('FVTOCI') investments.

Presentational and Functional Currency

The functional currency of the Company is Pound Sterling. Each entity in the Group determines its own functional currency and items included in the Financial Statements of each entity are measured using that functional currency. The presentational currency of the Group is Pound Sterling.

Going Concern

In common with many mineral exploration companies, the Group and Company have, in the past raised equity to fund their exploration activities and to date has not earned any revenues from their exploration projects.

The Directors have prepared a cash flow forecast for the period to September 2026. This indicates that the Company can complete the DFS and RECAPE work by the end of 2025 with its current cash balance and additional funding would be required thereafter. However, if the Company proceeds with all activities to maintain the Project's critical path to production, additional funding would be required by the last quarter of 2025 in order to finalise the DFS and RECAPE work and to complete the potential acquisition of the Aldeia mining licence, as it looks to bring the Project to the final investment decision stage and start construction in 2026. The Directors believe that following the grant of the DIA, the strategic partnership investment by the Company's new largest shareholder, AMG, and the classification of the Project as a 'Strategic Project' under the Critical Raw Materials Act, the Group's Barroso Lithium Project will be attractive to investors and other offtake partners. Furthermore, with AMG incentivised to deliver a full funding solution for the Project, the non-binding Letter of Intent received from Euler Hermes on behalf of the German Federal Ministry of Economic Affairs for a project finance loan guarantee of up to USD270m, and the classification as 'Strategic Project' under which the Project should benefit from coordinated support by the Commission, Member States and financial institutions to become operational, the Directors are confident that funding required to move the Project forwards will be available through options which may include equity, strategic partnership investment, offtake-related finance, loans or grants.

While the Group and Company have been successful in raising equity finance in the past, and while the Directors are confident of raising additional funding when required, their ability to do this is not completely within their control and the lack of a binding agreement means there can be no certainty that the additional funding required by the Group and the Company will be secured within the necessary timescale. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group and the Company's ability to continue as a Going Concern and therefore they may be unable to realise their assets and discharge their liabilities in the normal course of business.

The Directors consider that the funding will be forthcoming and therefore the Going Concern basis of preparation is deemed appropriate. The Financial Statements do not include any adjustments that would result if the Group and Company were unable to continue as a Going Concern.

Basis of Consolidation

Where the company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The Group accounts consolidate the accounts of Savannah Resources Plc and its domestic and foreign subsidiaries, refer to Note 11. The foreign subsidiaries have been consolidated in accordance with IFRS 10 'Consolidated Financial Statements' and IAS 21 'The effects of Foreign Exchange Rates'.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The consolidated Financial Statements present the results of the Company and its subsidiaries ('the Group') as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Investments in Subsidiaries and Associates

Investments in subsidiaries, associates and jointly controlled entities are accounted for at cost within the individual accounts of the parent company. These investments are classified as Non-Current Assets on the Statement of Financial Position of the parent company.

Foreign Currencies

Transactions in foreign currencies are initially recorded in the functional currency by applying spot exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

The income statements of individual group companies with functional currencies other than Pound Sterling are translated into Pound Sterling at the average rate for the period, on the basis the average rate is a reasonable approximation of the spot rates throughout the year, and the Statement of Financial Position translated at the rate of exchange ruling on the reporting date. Exchange differences which arise from retranslation of the opening net assets and results of such subsidiary undertakings are taken to equity ('Foreign Currency Reserve').

On disposal of such entities, the deferred cumulative amount recognised in equity relating to that particular operation is transferred to the Consolidated Statement of Comprehensive Income as part of the profit or loss on disposal.

Intangible Assets

Exploration and Evaluation Assets

Once an exploration / mining licence or an option to acquire an exploration / mining licence has been obtained, all costs associated with mineral property development and investments are capitalised on a project-by-project basis pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses, but not general overheads. Where a licence is relinquished, a project is abandoned, or is considered to be of no further commercial value to the Group, the related costs will be written off.

Exploration and Evaluation Assets are assessed annually at reporting date for indicators of impairment in accordance with IFRS 6. For the purposes of assessing indicators of impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units) as disclosed in Note 8. When facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the asset is assessed for impairment.

If commercial reserves are developed, the related deferred development and exploration costs are then reclassified as development and production assets within Property, Plant and Equipment, and subsequently amortised over the estimated life of the commercial ore reserves on a unit of production basis.

Acquisitions of Mineral Exploration Licences

Acquisitions of Mineral Exploration Licences through acquisition of non-operational corporate structures that do not represent a business, and therefore do not meet the definition of a business combination, are accounted for as the acquisition of an asset. Related future cash consideration is contingent and is not recognised as an asset or liability.

Property, Plant and Equipment

Tangible Non-Current Assets used in exploration and evaluation and land are classified within Tangible Non-Current Assets as Property, Plant and Equipment and are initially recognised at cost. To the extent that such tangible assets are consumed in exploration and evaluation the amount reflecting that consumption is recorded as part of the cost of the intangible asset.

Depreciation is provided on all items of Property, Plant and Equipment, except land, in order to write off the cost less estimated residual value of each asset over its estimated useful life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Plant & Machinery	4 – 10 years
Office Equipment	1 – 4 years
Motor Vehicles	4 years

Financial Instruments

Financial Assets and Financial Liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial Assets

Trade and Other Receivables

These assets arise principally from the provision of goods and services to customers (e.g., trade receivables), but also incorporate other types of Financial Assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Under IFRS 9, impairment provisions are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the Financial Asset. For those where the credit risk has not increased significantly since initial recognition of the Financial Asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group derecognises a Financial Asset only when the contractual rights to the cash flows from the asset expires or it transfers the Financial Asset and substantially all the risks and rewards of ownership of the asset to another entity.

There is no significant difference between carrying value and fair value of Trade and Other Receivables.

Cash and Cash Equivalents

Cash and Cash Equivalents include cash in banks and in hand, short term deposits and restricted cash. Cash in Banks and in Hand are short term, highly liquid accounts that are readily converted to known amounts of cash. Short Term Deposits comprise deposits with a maturity of more than 1 month and less than 3 months.

Bank Deposits

Bank Deposits comprise deposits held with banks, with a maturity of more than 3 months and less than 6 months.

Financial Liabilities

Other Liabilities

Other Liabilities consist of trade and other payables, which are initially recognised at fair value and subsequently carried at amortised cost, using the effective interest method.

Financial Liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or has expired. When a Financial Liability is derecognised, the cumulative gain or loss in equity (if any) is transferred to the Consolidated Statement of Comprehensive Income.

There is no significant difference between the carrying value and fair value of Other Liabilities.

Leases

All leases are accounted for by recognising a Right-of-Use Asset and a Lease Liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Lease Liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to exercise that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-Use Assets are initially measured at the amount of the Lease Liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement Lease Liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-Use Assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Amounts payable for leases covered by the short-term exemption are charged to the Income Statement on a straight-line basis over the term of the relevant lease.

Share-Based Payments

Where equity settled share options are awarded to Directors and employees, the fair value of the options at the date of grant is charged to the Consolidated Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the change in the fair value of the options, measured immediately before and after the modification, is also charged to the Consolidated Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees for goods and services received, the fair value of goods and services received is recognised in either the Consolidated Statement of Comprehensive Income or the Consolidated Statement of Financial Position in accordance with the Group's relevant accounting policies. Where it is not possible to reliably value the goods or services received, the fair value is measured by valuing the equity instruments granted using an option pricing model. The probability of non-vesting conditions being satisfied are included in the fair value recognised at the measurement date.

On lapse of the share options the cumulative fair value registered in the Share Based Payment Reserve is transferred to Retained Earnings.

Discontinued Operations

The results of operations disposed during the year are included in the Consolidated Statement of Comprehensive Income up to the date of disposal.

A discontinued operation is a component of the Group's business that represents a separate major line of business that has been disposed of, has been abandoned or that meets the criteria to be classified as held for sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Discontinued operations are presented in the Consolidated Statement of Comprehensive Income as a single line which comprises the Post-Tax Profit or Loss of the discontinued operation along with the Post-Tax Gain or Loss recognised on the re-measurement to fair value less costs to sell or on disposal of the assets or disposal groups constituting discontinued operations.

Contingent Consideration

The Group measures Contingent Consideration at the date of disposal at fair value and recognises the relevant Financial Asset. The Group measures the Contingent Consideration at fair value at each reporting date and changes in fair value are recognised in profit and loss.

Key Accounting Estimates and Judgements

The preparation of financial information in conformity with IFRS requires the use of judgements and estimates that affect the reported amounts of assets and liabilities at the date of financial information and the reported amounts of expenses during the reporting periods. Although these judgements and estimates are based on Management's best knowledge of the amounts, event or actions, actual results ultimately may differ.

The key judgements are set out below:

(a) Going concern

In determining the Group's ability to continue as a going concern the Directors consider a number of factors including cashflow forecasts prepared by Management. The details of these factors are set out in Note 1 Going Concern heading.

(b) Exploration and evaluation costs

The Group has to apply judgement in determining whether exploration and evaluation expenditure should be capitalised within Intangible Assets as exploration and evaluation costs or expensed. The Group has a policy of capitalising all costs which relate directly to exploration and evaluation costs (as set out above). The total value of exploration and evaluation costs capitalised as at each of the reporting dates is set out in Note 8. When the Group has applied for exploration and mining licences and these have not been granted at the reporting date the Management apply judgement in determining if this should be considered as an impairment indicator. Management takes into account historic information about the timing of granting licences by the relevant ministers and governments, and the information provided by the Group's local teams based on communications with these bodies.

(c) Carrying value of Exploration and Evaluation Assets

The Group assesses at each reporting period whether there is any indication that these assets may be impaired. If such indication exists, the Group estimates the recoverable amount of the asset. In the early stages of exploration an indication of impairment may arise from drilling and assay results or from Management's decision to terminate the project. Further details are set out in Note 8.

(d) Legal cases evaluation

Management applied judgement on the accounting impact of legal cases. For all of these legal cases the evaluation from Management together with the Group legal advisors is that are without foundation and without accounting impact. Further details are disclosed in Note 8 and in the Strategic report.

(e) Fair Value Consideration of Disposed Operations

Management applied judgement in the calculation of the fair value of the contingent consideration received on disposal of the Omani Operations in 2020. Management defined several scenarios and their likelihoods with the expected cash flows associated to the recovery of the third-party loan and amounts receivable from the royalty rights. The likelihoods of the expected cash flows are associated to the development of the project. As a result of the decisions made by current operator (majority owner) of the project, there exists a significant uncertainty on the project's future development and therefore on the potential recoverability of the loan and receipt of future royalties. This evaluation is reviewed at each reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The key estimates are set out below:

(a) Impairment of Amounts due from Subsidiaries

When applying the expected credit loss model under IFRS 9 Management apply estimates to evaluate if there was a change in the credit risk of the loans since initial recognition. To calculate the expected credit losses Management apply estimation to determine the probability of different scenarios occurring to determine the expected cash flows associated to the recovery of the loans, which are compared with the present value of the loans to calculate the expected credit losses. Further details are disclosed in Note 12.

(b) Tax Provision

The Group is subject to taxes in several jurisdictions for which significant estimation is required in determining the provision for taxes. During the course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group recognises tax provisions/liabilities based on estimates of whether additional taxes and interest could be due. These tax provisions/liabilities are recognised when the Company believes that its tax return positions are supportable but it is possible that a taxation authority would not accept its filing position. In these cases, the Company applies estimations to determine the probability-weighted outcome of different scenarios to determine the value of the tax provision to be recognised (see Note 19).

Accounting Developments During 2024

The accounting policies adopted are consistent with those of the previous financial year. New standards and amendments to IFRS effective as of 1 January 2024 have been reviewed by the Group and there has been no material impact on the Financial Statements as a result of these standards and amendments.

Accounting Developments Not Yet Effective

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective in future accounting periods that the Group has decided not to adopt early, such as IFRS 18 Presentation and disclosure in financial statements, effective for annual reporting period beginning on or after 1 January 2027. The Group is currently assessing the impact of these new accounting standards and amendments and does not expect a material impact on the Group Financial Statements.

2. SEGMENTAL REPORTING

The Group complies with IFRS 8 Operating Segments, which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, which the Company considers to be the Board of Directors. In the opinion of the Directors, the operations of the Group comprise of exploration and development in Portugal, and headquarters, corporate and other costs.

Based on the Group's current stage of development there are no external revenues associated to the segments detailed below. For exploration and development in Portugal the segment is calculated by the summation of the balances in the legal entities which are readily identifiable to each of the segmental activities. Recharges between segments are at cost (although tax related transfer pricing markup is required) and included in each segment below. Intercompany loans are eliminated to zero and not included in each segment below.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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	Portugal Lithium	HQ, corporate and other	Elimination	Total
	£	£	£	£
2024				
Revenue ¹	1,933,610 ²	1,108,082	(3,041,692)	-
Administrative Expenses	(2,281,878)	(1,968,301)	-	(4,250,179)
Finance Costs	(2,855)	-	-	(2,855)
Interest Income	-	265,451	-	265,451
Share based payments	-	233,634	-	233,634
Loss for the year	(2,381,557)	(1,862,185)	-	(4,243,742)
Total Assets	24,827,016	17,901,161	-	42,728,177
Total Non-Current Assets	24,030,767	438,909	-	24,469,676
Additions to Non-Current Assets	4,567,782	-	-	4,567,782
Total Current Assets	796,249	17,462,252	-	18,258,501
Total Liabilities	(1,698,231)	(1,838,414)	-	(3,536,645)

	Portugal Lithium	HQ, corporate and other	Elimination	Total
	£	£	£	£
2023				
Revenue ¹	1,550,405 ²	858,089	(2,408,494)	-
Finance Costs	(555)	-	-	(555)
Interest Income	-	108,286	-	108,286
Share based payments	-	252,353	-	252,353
Gain/(Loss) for the year	(2,072,003)	(1,546,091)	-	(3,618,094)
Total Assets	20,709,860	10,076,814	-	30,786,674
Total Non-Current Assets	20,200,471	432,003	-	20,632,474
Additions to Non-Current Assets	2,332,568	-	-	2,332,568
Total Current Assets	509,389	9,644,811	-	10,154,200
Total Liabilities	(1,039,684)	(1,802,782)	-	(2,842,466)

¹ Revenues includes the intercompany recharges within the Group which are eliminated

² Included in the Portugal Lithium segment is GBP1,933,610 (2023: GBP1,550,405) relating to intercompany recharges within this segment and therefore eliminated in Elimination column

3. EMPLOYEES AND DIRECTORS

The average monthly number of employees (including Directors that receive remuneration) during the year was as follows:

	Group		Company	
	2024 No	2023 No	2024 No	2023 No
Operational	11	6	1	1
Non-operational	16	13	6	6
	<u>27</u>	<u>19</u>	<u>7</u>	<u>7</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Staff Costs (excluding Directors¹)

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Salaries	1,356,035	1,144,993	560,069	541,184
Bonus	305,173²	137,088 ²	218,400²	87,897 ²
Social security and other employee expenses	287,457	159,772	97,503	77,436
Pension	77,742	62,908	77,742	62,908
Share based payment expense (Note 21)	60,545	107,847	60,545	107,847
	<u>2,086,952</u>	<u>1,612,608</u>	<u>1,014,259</u>	<u>877,272</u>

¹ This excludes costs related to Directors and also excludes the costs related to the Company's CEO prior to his appointment as a Director in April 2024

² 2024 bonuses unpaid as at 31 December 2024. 2023 bonuses unpaid as at 31 December 2023

The Group numbers in the above table includes GBP514,878 (2023: GBP319,261) which was capitalised as an exploration and evaluation asset.

Directors' Remuneration

	2024¹	2023^{1,2}
	£	£
Salaries	691,619	644,909
Bonus	354,924³	66,986 ³
Social security and taxes	117,686	33,599
Other benefits	23,913	641
Share based payment expense	158,582	111,818
	<u>1,346,724</u>	<u>857,953</u>

¹ This includes costs related to the Company's CEO (prior to his appointment as a Director in April 2024), which amounts to salaries GBP56,122 (2023: GBP99,608), social security and taxes GBP15,549 (2023: GBP17,355), other benefits GBP6,975 (2023: GBP641) and share based payment expense GBP62,808 (2023: GBP74,481)

² This includes the remuneration received by Manohar Shenoy in 2023, who passed away in September 2023

³ 2024 bonuses unpaid as at 31 December 2024. 2023 bonuses unpaid as at 31 December 2023

The numbers in the above table include GBP296,202 (2023: GBP131,713) of Directors' Remuneration which was capitalised as an Intangible Asset in relation to the provision of specific technical services.

The Directors' remuneration is paid by the Company, except the CEO's remuneration which is paid by Savannah Lithium Unipessoal Limitada. Details of the Director's remunerations are disclosed in the Remuneration Report.

The Directors are considered to be the key Management of the Group.

No share options were exercised during the financial year ended 31 December 2024 or 31 December 2023.

The highest paid director received remuneration of GBP445,994 and non-cash payments of GBP163,929 (see Remuneration Report).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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4. LOSS BEFORE INCOME TAX

The Group loss before income tax is stated after charging:

	2024	2023
	£	£
Depreciation and amortisation	48,483	22,095
Auditors' remuneration:		
- Group audit fees	90,000	78,750
- Subsidiaries audit fees	5,100	5,250
- Non-audit services – tax services	7,086	14,205
- Non-audit services – other	4,661	-
Fees payable to associated firms of the auditor for audit of subsidiaries	17,649	16,954
Fees payable to associated firms of the auditor for non-audit services of subsidiaries – tax services	4,068	14,755
Fees payable to associated firms of the auditor for non-audit services of subsidiaries – other	8,078	-
Professional fees	1,137,649	1,075,781
Foreign Exchange Loss	438,018	81,116
Short term lease payments (Note 16)	14,342	32,534
Share based payments (Note 21, 15)	233,634	252,353
	233,634	252,353

The Company loss before income tax is stated after charging:

	2024	2023
	£	£
Auditors' remuneration:		
- Statutory audit of the Group Financial Statements	90,000	78,750
- Non-audit services - tax services	7,086	14,205
- Non-audit services – other	4,661	-
Foreign Exchange Loss ¹	2,084,777	728,241
Short term lease payments	2,400	23,796
Share based payments	233,634	252,353
(Reversal)/charge of intercompany impairment	(27,826)	(466,912)
	(27,826)	(466,912)

¹This is including a loss on revaluation of intercompany loans of GBP1,649,610 (2023: GBP660,577).

5. INCOME TAX

Analysis of the Tax Charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2024 or 31 December 2023.

Factors Affecting the Tax Charge

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to the result for the year are as follows:

	2024	2023
	£	£
Loss on ordinary activities before tax	(4,243,742)	(3,618,094)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25% (2023: 23.5% ¹)	(1,060,935)	(850,252)
Effects of:		
Expenses/(income) not deductible for tax purposes	23,224	(15,601)
Different tax rates applied in overseas jurisdictions	(49,217)	(21,212)
Tax losses carried forward	1,086,928	887,065
Total Income Tax	-	-

¹From 1 April 2023 UK corporation tax rate is 25% for companies with taxable profits over GBP250,000. For this analysis has been used an average rate of 23.5%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Deferred Tax

The Group has carried forward losses amounting to GBP21,927,778 as at 31 December 2024 (2023: GBP18,416,762). As the timing and extent of taxable profits are uncertain, the Deferred Tax Asset arising on these losses has not been recognised in the Financial Statements.

Tax losses related to the subsidiaries in Mozambique can be carried forward for a 5 year period. Tax losses related to the subsidiaries in Portugal can be carried forward for a 14 year period for losses related to the 2017-2019 tax years and for a 12 year period for losses related to the 2020-2023 tax years. There is no expiry date for tax losses carried forward in the UK. The aging of the tax losses carried forward in Portugal and Mozambique is as follows:

Valid until	2024 £	2023 £
2024	-	317,312
2025	243,981	240,236
2026	1,597,137	1,572,619
2027	92,891	91,465
2028	37,561	36,984
2029	72,224	-
2030	21,282	22,272
2031	131,931	138,065
2032	439,795	460,244
2033	887,544	928,811
2032	1,047,218	1,095,910
2033	1,456,822	1,524,558
2034	1,586,823	1,660,604
2035	1,432,362	1,498,961
2036	2,154,938	-
No expiry date	10,725,268	8,828,721
Total	21,927,777	18,416,762

6. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these Financial Statements. The parent company's Loss for the financial year was GBP3,714,891 (2023: Profit GBP2,109,648) (see Note 4).

7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

In accordance with IAS 33 as the Group is reporting a loss for both this and the preceding year the Share Options are not considered dilutive because the exercise of these would have the effect of reducing the loss per share.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Reconciliations are set out below:

	2024	2023
	£	£
Basic Loss Per Share		
Losses attributable to ordinary shareholders:		
Total loss for the year	(4,243,742)	(3,618,094)
Total loss for the year from continuing operations	(4,425,601)	(3,450,790)
Total gain/(loss) for the year from discontinued operations	181,859	(167,304)
Weighted average number of shares	2,010,745,208	1,751,881,365
Loss per share – total loss for the year	(0.00211)	(0.00207)
Loss per share – total loss for the year from continuing operations	(0.00220)	(0.00197)
Gain/(Loss) per share – total gain/(loss) for the year from discontinued operations	<u>0.00009</u>	<u>(0.00010)</u>

8. INTANGIBLE ASSETS

	Exploration and Evaluation
	£
Cost	
At 1 January 2023	16,459,599
Additions	2,162,197
Foreign exchange movements	(230,707)
At 31 December 2023	<u>18,391,089</u>
Additions	3,926,760
Foreign exchange movements	(696,556)
At 31 December 2024	<u>21,621,293</u>
Amortisation and impairment	
At 1 January 2023	-
At 31 December 2023	-
At 31 December 2024	<u>-</u>
Net Book Value	
At 1 January 2023	16,459,599
At 31 December 2023	<u>18,391,089</u>
At 31 December 2024	<u>21,621,293</u>

The additions during the year are related to the work done in the BLP, mainly for ongoing DFS and RECAPE works and drilling activity.

The Exploration and Evaluation Assets referred to in the table above comprise expenditure in relation to exploration licences in Portugal. The Directors consider that for the purposes of assessing impairment, the above exploration and evaluation expenditure is allocated to the Portugal Lithium licences area, representing the Group's Cash Generating Units ('CGUs').

The Directors have reviewed the carrying value of the CGU and have not identified any indicators of impairment for the assets allocated to the licences in Portugal, and therefore there is no impairment charge in 2024 or 2023 for Portugal operations.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Amongst other matters, the impairment review has taken into account: a) the “lawfare” that the Group faces from certain sections of the local population, which seek to call into question the validity of the BLP (C-100) mining licence parameters and the BLP’s DIA grant, by making claims against the relevant competent authorities within the Portuguese government (see Principal Risks section in the Strategic Report for further details). There was, a legal action to challenge the temporary land access granted to the Project in December 2024, which was resolved by the Government issuing a “reasoned resolution” which cancelled the suspensive effect of the legal action. Additionally, the ultimate legal right of a mining licence owner is to be able to compulsorily acquire land required. All of which cases are considered to be without foundation by the Company’s lawyers; b) the period for which the licences are valid and the extensions available are longer than the Project’s Life of Mine; c) the existence of substantial expenditure planned in the BLP; d) the existence of commercially viable mineral resources and the full recoverability of the carrying value assets as reflected in the 2023 Scoping Study. The impairment review has also taken into account that the Company will require additional funds to fully develop the BLP into an operating mine, and it remains confident that the BLP’s strategic location within EU’s carbon borders, the excellent investment metrics reported in the 2023 Scoping Study, and the long-term lithium pricing outlook, will result in the BLP mine development being funded (see Going Concern in Note 1 for information on sources of finance).

The value included in Purchase of Intangible Exploration Assets in the Statement of Cash Flows is affected by the net movements between the Exploration and Evaluation Assets creditors at 31 December 2023 and the value of these at 31 December 2024, hence it does not match with the Additions to Intangible Assets.

9. RIGHT-OF-USE ASSETS

	Vehicles	Buildings	Total
	£	£	£
Cost			
At 1 January 2023	90,520	-	90,520
Additions	48,075	-	48,075
Foreign exchange movements	(1,550)	-	(1,550)
At 31 December 2023	137,045	-	137,045
Additions	164,243	197,880	362,123
Foreign exchange movements	(9,565)	(4188)	(13,753)
At 31 December 2024	291,723	193,692	485,415
Depreciation			
At 1 January 2023	72,893	-	72,893
Charge for year	9,198	-	9,198
Foreign exchange movements	(1,424)	-	(1,424)
At 31 December 2023	80,667	-	80,667
Charge for year	26,738	5,007	31,745
Foreign exchange movements	(4,149)	(106)	(4,255)
At 31 December 2024	103,256	4,901	108,157
Net Book Value			
At 1 January 2023	17,627	-	17,627
At 31 December 2023	56,378	-	56,378
At 31 December 2024	188,467	188,791	377,258

The Right-of-Use Assets referred to in the table above comprise agreements signed in relation to the BLP in Portugal. The additions during the year are related to vehicles lease agreements and long-term rent agreements signed for Group premises in Portugal.

Details of the lease liabilities related to these Right-of-Use Assets are included in Note 16.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles £	Office Equipment £	Land £	Total £
Cost				
At 1 January 2023	57,355	49,208	1,559,816	1,666,379
Additions	-	15,600	104,973	120,573
Foreign exchange movements	(1,163)	(3,683)	(31,013)	(35,859)
At 31 December 2023	56,192	61,125	1,633,776	1,751,093
Additions	-	45,148	270,709	315,857
Foreign exchange movements	(2,497)	(7,723)	(78,319)	(88,539)
At 31 December 2024	53,695	98,550	1,826,166	1,978,411
Depreciation				
At 1 January 2023	57,355	25,080	-	82,435
Charge for year	-	12,897	-	12,897
Foreign exchange movements	(1,163)	(3,211)	-	(4,374)
At 31 December 2023	56,192	34,766	-	90,958
Charge for year	-	16,738	-	16,738
Foreign exchange movements	(2,497)	(6,125)	-	(8,622)
At 31 December 2024	53,695	45,379	-	99,074
Net Book Value				
At 1 January 2023	-	24,128	1,559,816	1,583,944
At 31 December 2023	-	26,359	1,633,776	1,660,135
At 31 December 2024	-	53,171	1,826,166	1,879,337

The additions in land reflect the land acquisition program that Savannah has in place in Portugal to acquire the land required for the future development of the Barroso Lithium Project.

The above Property, Plant and Equipment is allocated to the Portugal Lithium operations, representing the Group's CGUs.

Management has evaluated the existence of impairment indicators of the Property, Plant and Equipment allocated to the licences area together with the impairment review performed for the Exploration and Evaluation Assets, and it has concluded that there are no indicators of impairment, and therefore there is no impairment charge in 2024 or 2023 for Portugal operations.

The value included in Purchase of Tangible Assets in the Statement of Cash Flows is affected by the net movement between the Tangible Assets creditors at 31 December 2023 and the value of these at 31 December 2024, hence it does not match with the Additions to Tangible Assets.

11. INVESTMENT IN SUBSIDIARIES

Company	Investment in subsidiaries £
Non-Current	
At 1 January 2023	333,740
Additions	-
Impairment charge	-
At 31 December 2023	333,740
Additions	267,680
Impairment charge	-
At 31 December 2024	601,420

Additions in 2024 are related to the payments done by the Company in regard of the Aldeia licence (see note 19).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Company had the following subsidiary undertakings, either directly or indirectly, at 31 December 2024, which have been included in the Consolidated Financial Statements:

Subsidiary	Registered office	Nature of business	Class of share	% Holding
Savannah Advisory Services Limited ¹	United Kingdom ⁵	Holding Company	Ordinary	100%
AME East Africa Limited ¹	United Kingdom ⁵	Holding Company	Ordinary	100%
Matilda Minerals Limitada ³	Mozambique ⁶	Mining & exploration	Ordinary	100%
African Mining & Exploration Limited ¹	United Kingdom ⁵	Dormant	Ordinary	100%
Savannah Resources Portugal B.V. ¹	Netherlands ⁸	Holding Company	Ordinary	100%
Savannah Lithium Unipessoal Limitada ^{2,4}	Portugal ⁹	Mining & exploration	Ordinary	100%
Savana Matinal – Mining, Unipessoal Limitada ²	Portugal ⁹	Mining & exploration	Ordinary	100%

¹Directly held by Savannah Resources Plc

²Indirectly held by Savannah Resources Plc

³99.99% Indirectly held by AME East Africa Limited and 0.01% Directly held by Savannah Resources Plc

⁴Formerly Slipstream Resources Portugal Limitada, and formerly Savannah Lithium Limitada

⁵Salisbury House, London Wall, London, EC2M 5PS, United Kingdom

⁶Damiao de Gois, no 438, Sommerschield, Maputo, Mozambique

⁸Herikerbergweg 88,1101 CM, Amsterdam, The Netherlands

⁹Rua 5 de Outubro, nº 26, Boticas, Portugal, 5460-304

The Company subsidiary Panda Recursos, Lda was liquidated in July 2023.

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Non-Current:				
Other Receivables	513,407	432,003	-	-
Amounts due from Subsidiaries	-	-	39,365,256	34,451,813
Total Non-Current Trade and Other Receivables	513,407	432,003	39,365,256	34,451,813
Current:				
VAT Recoverable	225,831	172,275	11,196	37,830
Other Receivables	336,733	253,790	215,282	108,422
Total Current Trade and Other Receivables	562,564	426,065	226,478	146,252

The carrying value of Trade and Other Receivables classified at amortised cost approximates fair value.

The amount registered in Non-current Other Receivable is including GBP438,740 (2023: GBP432,003) related to the Deed of Termination entered into with Rio Tinto in December 2021.

The Group and the Company applies the expected credit loss model to measure expected credit losses for amounts due from subsidiaries and amounts due from third parties. The Group and the Company considered the probability of a default. The loans to subsidiaries are interest free and are repayable on demand.

The Company expects that the carrying value of the intercompany loans receivable may not be fully recoverable as the subsidiaries may not generate sufficient future profits to settle the amounts owing and accordingly, these amounts have been partially impaired. Repayment of the intercompany loans is subject to the Directors' assessment of the Group's requirements and availability of appropriate liquid resources. Among other things, the Company's expected credit loss model includes consideration of various risks affecting the success of underlying projects of its subsidiaries. When determining the expected credit losses Management has taken

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into account that the intercompany loans are related to projects that are in the exploration stage. Management has concluded that the success of the projects is the most important factor that will drive credit losses. This will be affected by the results in mineral resources, the commodity prices, the capability of the Parent company to obtain funds to develop the projects and the success in obtaining or renewing exploration and mining licences. Several scenarios and their likelihood have been considered to calculate the expected cash flows for the loans associated to each project and the expected credit losses as at the reporting date. In the current period the Company estimates that a reversal amounting to GBP0.03m (2023: GBP0.5m) is required in the expected credit loss calculated in prior years on the receivables from the subsidiaries, decreasing the expected credit loss provision to GBP4.4m (2023: GBP4.4m).

The Group has a receivable of AUD 3,500,000 (~GBP1,873,000) from Gentor Resources Limited, a subsidiary of Critical Resources, which represents contingent consideration from the disposal of the Oman operations in 2020, this becomes payable from future production from Block 5 and / or an event of default. In accordance with IFRS guidance the fair value has been valued at GBPnil as at 31 December 2024 and 31 December 2023, but this does not imply that value will not be realised in future.

Movements in the impairment allowance for the year ended 31 December 2024 are as follows:

Company

	Impairment from Subsidiaries £
At 1 January 2023	5,064,816
Impairment charge reversal	(466,912)
Foreign exchange movements	(222,433)
At 31 December 2023	4,375,471
Impairment charge reversal	(27,826)
Foreign exchange movements	66,169
At 31 December 2024	4,413,814

The amounts due from Matilda Minerals are fully provided for as at 31 December 2024 and 31 December 2023, amounting to GBP4,322,846 (2023: GBP4,256,677) given cessation of exploration activities in Mozambique in 2021.

After evaluating the amounts due from the subsidiaries associated with the BLP, the Company has recognized an impairment of GBP90,968 (2023: GBP118,794). This impairment is based on an analysis of several theoretical scenarios, in which the loans are fully recovered in all but one case, where an amount of EUR 90,968 would not be recovered.

The breakdown of the Amounts due from Subsidiaries as at 31 December 2024 is as follows:

	Company	
	2024	2023
	£	£
Amounts due from Subsidiaries:		
Outstanding amount	43,779,070	38,827,287
Impairment	(4,413,814)	(4,375,474)
Total Amounts due from Subsidiaries	39,365,256	34,451,813

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13. OTHER NON-CURRENT ASSETS

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Non-Current:				
Guarantees	60,489	63,301	-	-
Other	<u>17,892</u>	<u>29,568</u>	<u>-</u>	<u>-</u>
Total Other Non-Current Assets	<u><u>78,381</u></u>	<u><u>92,869</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The carrying value of Other Non-Current Assets classified at amortised cost approximates fair value.

The Non-Current Assets - Guarantees are deposits required by the local mining / environmental authorities in relation to exploration / mining licences and applications thereof.

14. CASH AND CASH EQUIVALENTS AND BANK DEPOSITS

Cash and Cash Equivalent	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Cash at Bank and in Hand	4,498,141	5,608,791	3,643,640	4,815,935
Short-term Deposits	9,657,513	3,410,584	9,657,513	3,410,584
Restricted Cash	<u>691,732</u>	<u>701,906</u>	<u>-</u>	<u>-</u>
Total Cash and Cash Equivalents	<u><u>14,847,386</u></u>	<u><u>9,721,281</u></u>	<u><u>13,301,153</u></u>	<u><u>8,226,519</u></u>

The balance of Cash and Cash Equivalents approximates fair value.

Short-term Deposits include bank deposits and treasury deposits with maturity between 1 and 3 months and are interest bearing.

The Group's cash balance in Mozambique amounting to GBP691,732 (2023: GBP701,906) included above within Restricted Cash is restricted for use in Mozambique until the Group and the Mozambican Tax Authority resolve the potential tax treatment or otherwise of the Deed of Termination from 2021 (see Note 19). These funds are being used to settle the necessary costs to maintain the Mozambique subsidiary in good order.

Bank Deposits	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Bank Deposits	<u>2,844,220</u>	<u>-</u>	<u>2,844,220</u>	<u>-</u>
Total Bank Deposits	<u><u>2,844,220</u></u>	<u><u>-</u></u>	<u><u>2,844,220</u></u>	<u><u>-</u></u>

Bank Deposits include bank and treasury deposits with maturity between 3 and 6 months in duration and are interest bearing.

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15. SHARE CAPITAL

	2024		2023	
	£0.01 ordinary shares number	£	£0.01 ordinary shares number	£
At beginning of year	1,828,149,904	18,281,499	1,688,959,820	16,889,598
Issued during the year:				
Shares issued in lieu	2,011,880	20,119	-	-
Share placements	<u>342,612,420¹</u>	<u>3,426,124</u>	<u>139,190,084¹</u>	<u>1,391,901</u>
At end of year	<u>2,172,774,204</u>	<u>21,727,742</u>	<u>1,828,149,904</u>	<u>18,281,499</u>

¹ In respect of the Share placements in 2024 the net proceeds were GBP15,988,836 (2023: GBP6,297,060) of which GBP12,562,712 (2023: GBP4,905,159) has been recorded in Share Premium. The gross proceeds were GBP16,000,000 (2023: GBP6,500,177) and the costs of the Share placement GBP11,164 (2023: GBP203,117)

The par value of the Company's shares is GBP0.01. The authorised share capital amounts to GBP21,727,742 (2023: GBP18,281,499).

During 2024 the Company issued 2,011,880 new ordinary shares of 1 pence each over the Company's Share Capital to the CEO in lieu of payment of the 2023 bonus agreed as part of his appointment in September 2023. This is considered a share based payment and a charge of GBP43,423 was recognised in 2023 and GBP31,016 in 2024.

16. LEASES

Lease Liabilities

	£
At 1 January 2023	17,627
Additions	48,361
Lease payments	(9,252)
Foreign exchange movements	(358)
At 31 December 2023	56,378
Additions	355,177
Lease payments	(29,989)
Foreign exchange movements	(2,505)
At 31 December 2024	<u>379,061</u>

The maturity of the leases is as follows:

	2024	2023
	£	£
Less than 1 year	77,140	17,345
Between 1 year and 2 years	70,732	17,925
Between 2 years and 3 years	66,342	14,173
Between 3 years and 4 years	50,692	6,935
Between 4 years and 5 years	30,059	-
More than 5 years	84,096	-
Total Lease Liabilities	<u>379,061</u>	<u>56,378</u>

During 2024 the Group paid interest related to these leases amounting to GBP2,855 (2023: GBP555).

The Right-of-Use Assets and related Lease Liabilities are for the lease of motor vehicles and business premises in Portugal. Total 2024 cash flow outflow amount including interest paid is GBP32,844 (2023: GBP9,807).

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Other Leases

The Group has registered GBP14,342 (2023: GBP32,534) in the Statement of Comprehensive Income related to short-term leases. Short-term leases meet the requirements to not be accounted for by recognising a Right-of-Use Asset and a Lease Liability, having a duration of 12 months or less and without reasonable certainty about their renewal.

At 31 December 2024 the Other Lease commitments for the next 12 months is GBP9,210 (2023: GBP14,290). These leases are for business premises in Portugal.

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Non-Current:				
Trade Payables	133,587	-	-	-
Total Non-Current Trade and Other Payables	133,587	-	-	-
Current:				
Trade Payables	976,127	820,487	297,605	200,261
Other Payables	215,313	121,879	27,673	31,168
Accruals	1,328,285	1,050,694	511,554	313,261
Amounts due to Subsidiaries	-	-	380,482	-
Total Current Trade and Other Payables	2,519,725	1,993,060	1,217,314	544,690

The carrying value of Trade and Other Payables classified at amortised cost approximates fair value.

In 2024 Accruals represent mainly costs related to professional fees for which invoices have not been received at the reporting date, bonuses and payroll costs to be paid. In 2023 Accruals represent mainly costs related to the drilling and DFS work, and legal fees for work related to the Operation Influencer in Portugal, for which invoices had not been received at the reporting date and payroll costs to be paid.

A significant part of the Trade Payables amounts relates to work performed in the BLP whose balances are capitalised and therefore included in Investing cash flows instead of Operating cash flows.

18. FINANCIAL INSTRUMENTS

Financial Instruments - Risk Management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these Financial Statements (see note 14, note 12, note 17).

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal Financial Instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Intercompany Loan Receivables
- Non-Current Other Receivables
- Current Trade and Other Receivables
- Bank Deposits

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- Cash and Cash Equivalents
- Other Non-Current Assets – Guarantees
- Trade and Other Payables
- Non-Current Trade and Other Payables

Trade and Other Payables fall due for payment within 3 months from the reporting date, except the value classified as Non-Current Trade and Other Payables that fall due for payment after 12 months.

Liquidity Risk

At the reporting date the Group's unrestricted cash balance and bank deposits was GBP17.0m (2023: GBP9.0m). This, in conjunction with the raising of future cash through different options, which the Directors believe can be secured, will allow the Group to continue working on its development / exploration activities and to meet its financial commitments for at least 12 months. In common with many non-revenue generating companies, the Company routinely raises funds for its development activities. The Group's policy continues to be to ensure that it has adequate liquidity by regularly and careful management of its working capital through the review of detailed cash flow forecasts.

Foreign Exchange Risk

The Group is exposed through its operations to foreign exchange risk which mainly arises because the Group has overseas operations located in Portugal whose functional currency is Euro.

Foreign exchange risk also arises when individual group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency (Euro, MZN or Pound Sterling) with the cash remitted to their own operations in that currency where practical. Where group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them) cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

In addition, the Group is exposed through the cash held in foreign currencies. To mitigate this risk the Group's policy is to review the cash flow forecast identifying the currencies that will be required to settle liabilities in future and hold the cash balances in the required currencies. From time to time when there is insufficient precision about the currencies that will be required for future expenditure the Group spreads its cash balances across globally recognised reserve currencies to mitigate against adverse changes in exchanges rates, and the Company monitors this regularly.

The Company mitigate the exposure to foreign currencies in the intercompany balances by denominating all the intercompany loans in the globally recognised currencies of GBP, EUR and USD.

Credit Risk

The Group and the Company are exposed to credit risk on its receivables from its subsidiaries and third parties. The subsidiaries are exploration and development companies with no current revenue and therefore, whilst the receivables are due on demand, they are not expected to be paid until there is a successful outcome on a development project resulting in revenue being generated by a subsidiary (see details in Note 12). The third-party receivables are due within 30 days of issuing the invoices; in the case of the contingent consideration from the disposal of the Oman operations this is due when its related mining project generate positive cash flow or when an event of default occurs. The Group has calculated the expected credit loss from these receivables (Note 12).

The Group and the Company is exposed to credit risk in Cash and Cash Equivalents and deposits with banks and financial institutions. Only reputable banks and financial institutions which are rated by recognised rating agencies are accepted by the Company in the UK. The Group policy is to maintain the majority Cash and Cash Equivalents within the Company in the UK and funds are remitted to other group entities on a monthly basis to settle liabilities as they fall due, to avoid credit risk associated to foreign jurisdictions banks. The Group policy is also to operate at least with two banks in each country when practicable.

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Financial instruments by category (Group)

Financial Assets

	Amortised Cost £	Total £
As at 31 December 2024		
Non-Current Other Receivables	438,740	438,740
Other Non-Current Assets	60,489	60,489
Current Trade and Other Receivables	34,833	34,833
Bank Deposits	2,844,220	2,844,220
Cash and Cash Equivalents	<u>14,847,386</u>	<u>14,847,386</u>
Total Financial Assets	<u>18,225,668</u>	<u>18,225,668</u>

	Amortised Cost £	Total £
As at 31 December 2023		
Non-Current Other Receivables	432,003	432,003
Other Non-Current Assets	92,869	92,869
Trade and Other Receivables	46,654	46,654
Other Current Assets	166	166
Cash and Cash Equivalents	<u>9,721,281</u>	<u>9,721,281</u>
Total Financial Assets	<u>10,292,973</u>	<u>10,292,973</u>

Financial Liabilities

	Amortised Cost £	Total £
As at 31 December 2024		
Non-Current Trade and Other Payables	133,587	133,587
Trade and Other Payables	<u>2,414,158</u>	<u>2,414,158</u>
Total Financial Liabilities	<u>2,547,745</u>	<u>2,547,745</u>
As at 31 December 2023		
Trade and Other Payables	<u>1,947,413</u>	<u>1,947,413</u>
Total Financial Liabilities	<u>1,947,413</u>	<u>1,947,413</u>

The Group's net exposure to foreign exchange at the reporting date was as follows:

	Functional Currency of Entity							
	GBP 2024	MZN 2024	EUR 2024	Total 2024	GBP 2023	MZN 2023	EUR 2023	Total 2023
	£	£	£	£	£	£	£	£
Foreign currency Financial Assets								
USD	720,108	1,114	327	721,549	573,081	1,097	322	574,500
EUR	10,761,659	-	-	10,761,659	5,561,385	-	-	5,561,385
AUD	1,241,827	-	3,839	1,245,666	462,077	-	4,151	466,228
Total	<u>12,723,594</u>	<u>1,114</u>	<u>4,166</u>	<u>12,728,874</u>	<u>6,596,543</u>	<u>1,097</u>	<u>4,473</u>	<u>6,602,113</u>

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	Functional Currency of Entity					
	GBP 2024	EUR 2024	Total 2024	GBP 2023	EUR 2023	Total 2023
	£	£	£	£	£	£
Foreign currency financial liabilities						
USD	2,154	-	2,154	5,597	-	5,597
AUD	422,548	-	422,548	359,428	-	359,428
EUR	89,598	-	89,598	99,654	-	99,654
OMR	-	-	-	10,244	-	10,244
GBP	-	-	-	-	121	121
Total	514,300	514,300	514,300	474,923	121	475,044

The effect of changes in foreign currencies exchange rates against GBP at the reporting date on the foreign currency denominated Cash and Cash Equivalents and Bank Deposits carried at that date would, all other variables held constant, have resulted in the following:

	USD		EUR		AUD	
	£	£	£	£	£	£
As at 31 December 2024						
Movement exchange rates against GBP	+10%	-10%	+10%	-10%	+10%	-10%
Pre-tax loss for the year	(80,172)	65,595	(1,195,740)	978,333	(138,407)	113,242
Net assets	<u>80,172</u>	<u>(65,595)</u>	<u>1,195,740</u>	<u>(978,333)</u>	<u>138,407</u>	<u>(113,242)</u>
As at 31 December 2023						
Movement exchange rates against GBP	+10%	-10%	+10%	-10%	+10%	-10%
Pre-tax loss for the year	(63,833)	52,227	(617,932)	505,580	(50,293)	41,149
Net assets	<u>63,833</u>	<u>(52,227)</u>	<u>617,932</u>	<u>(505,580)</u>	<u>50,293</u>	<u>(41,149)</u>

Financial instruments by category (Company)

Financial Assets

	Amortised Cost £	Total £
As at 31 December 2024		
Non-Current Other Receivables	39,365,256	39,365,256
Trade and Other Receivables	34,705	34,705
Bank Deposits	2,844,220	2,844,220
Cash and Cash Equivalents	<u>13,301,153</u>	<u>13,301,153</u>
Total Financial Assets	<u>55,545,334</u>	<u>55,545,334</u>
	Amortised Cost £	Total £
As at 31 December 2023		
Non-Current Other Receivables	34,451,813	34,451,813
Trade and Other Receivables	11,919	11,919
Cash and Cash Equivalents	<u>8,226,519</u>	<u>8,226,519</u>
Total Financial Assets	<u>42,690,251</u>	<u>42,690,251</u>

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Financial liabilities

	Amortised Cost £	Total £
As at 31 December 2024		
Trade and Other Payables	1,195,940	1,195,940
Total Financial Liabilities	<u>1,195,940</u>	<u>1,195,940</u>
As at 31 December 2023		
Trade and Other Payables	544,690	544,690
Total Financial Liabilities	<u>544,690</u>	<u>544,690</u>

The Company's net exposure to foreign exchange risk at the reporting date was as follows:

	Functional Currency of Entity	
	GBP 2024 £	GBP 2023 £
Foreign currency Financial Assets		
USD	698,046	529,322
EUR	49,600,237	39,452,132
AUD	1,241,819	442,063
Total	<u>51,540,102</u>	<u>40,423,517</u>

	Functional Currency of Entity			
	GBP 2024 £	Total 2024 £	GBP 2023 £	Total 2023 £
Foreign currency Financial Liabilities				
AUD	17,252	17,252	12,926	12,926
EUR	11,944	11,944	8,529	8,529
OMR	-	-	10,244	10,244
Total	<u>29,196</u>	<u>29,196</u>	<u>31,699</u>	<u>31,699</u>

Capital Disclosures

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or seek other financial structures such as grants, debt (project finance), royalties, streaming, mezzanine finance, or combinations thereof.

19. GROUP CONTINGENCIES AND PROVISIONS

Contingencies:

Consideration payable in relation to the acquisition of the Aldeia Mining Lease Application for lithium, feldspar and quartz (Portugal lithium project)

In June 2019 the Company purchased the right to acquire a Mining Lease Application for lithium, feldspar and quartz from private Portuguese company, Aldeia & Irmão, S.A., once the Mining Lease has been granted. The terms of the agreement were modified in June 2024, primarily to extend the date, by which the Mining Licence could be issued (until September 2026) to ensure that the Company's right to acquire was continued. Under the new terms the total purchase price for the acquisition is EUR3,550,000 (~GBP2,941,000) if the transfer of the Mining Lease to an entity within the Group takes place before 30 April 2025, whereas if the transfer of the Mining Lease takes place after that date the purchase price will be EUR3,250,000 (~GBP2,693,000). In both

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cases this will only become due if the Company elects to request the transfer of the Mining Lease to an entity within the Group, at which point the agreed payment schedule will consist of an initial EUR55,000 (~GBP 46,000) payment with the balance due in 71 monthly instalments. Upon delivery of the request for transfer of the Mining Lease to an entity within the Group to Aldeia to submit the request to the DGEG, the Group shall provide Aldeia with a bank guarantee of EUR 3,495,000 (~GBP 2,896,000) or EUR 3,195,000 (~GBP 2,647,000) that will be reduced in accordance with the 71 monthly instalments. Additionally, under the new agreement, Savannah was granted the option to defer the timing of requesting the transfer of the Mining Lease and therefore the issue of the Bank Guarantee by up to 12 months by making payments of EUR150,000 (~GBP124,000) for 6 months or a further EUR 150,000 (~GBP124,000) for 12 months (these payments of EUR 150,000 will be deducted from the total purchase price and adjusted in the future monthly payment schedule).

In December 2024 Aldeia notified to the Company that the Mining Lease Application had been granted by the DGEG. The Company executed the option to defer the transfer of the Mining Lease to an entity within the Group for 6 months by the payment of EUR150,000, which will be reduced from the acquisition price. The value of the contingency as at 31 December 2024 amounts to EUR3,100,000 (~GBP2,568,000) (EUR3,250,000 minus the December 2024 payment of EUR150,000), based on the Company's plan to not request the transfer of the Mining Licence prior to the 30 April 2025.

Provisions:

In October 2016 the Group and Rio Tinto entered into a Consortium Agreement to develop their respective projects in Mozambique through an unincorporated consortium. On 1 December 2021 Savannah signed a Deed of Termination relating to the Consortium Agreement. Under the Deed of Termination, compensation of USD9.5m (GBP7.6m) was agreed to be paid by Rio Tinto to the Group. In 2023 the Company was indirectly notified that the Mozambican Tax Authority ('MTA') considers the transaction in scope for capital gains tax and that a tax amount of MZN134,261,677 (~GBP1,680,000) should be paid (this notification was received via Rio Tinto because, under Mozambican law, the Consortium counterparty can be pursued. Nevertheless, Savannah is contractually obliged to re-imburse Rio Tinto for any legitimate tax paid on Savannah's behalf. During 2024 Savannah has progressed work with its professional advisers, concluding that the transaction is under the scope of Capital Gains Tax. However, the review also concluded that the significant majority of the costs incurred during the Consortium Agreement period are eligible to be deducted in a Capital Gains Tax calculation (applying 100% of the costs from the Consortium Agreement period would result in a Capital Gains Tax charge of \$141k). The fact that the Group and the MTA have different opinions in this matter represents the existence of an uncertainty in the tax treatment relating to the Deed of Termination and therefore the Group is required to apply IFRIC 23. Management has applied estimations to determine the probability of different scenarios occurring which has resulted in a tax provision amounting to GBP504,272 (2023: GBP793,028) which is registered in the Group accounts, but that does not indicate that the Group will be liable to pay this amount. Although the Company is seeking a resolution of the matter with the MTA the timing thereof is not certain, and in the event that any tax is paid it could be settled from restricted cash (see note 14) or non-current other receivables (see Note 12)

20. RELATED PARTY DISCLOSURES

Details of Directors' remuneration are disclosed in the Remuneration Report and in Note 3.

During the year GBP269,702 (2023: GBP346,352) was payable to Blue Bone Consulting Pty Ltd (a company controlled by Dale Ferguson) for consultancy fees of which GBP146,299 (including bonus) (2023: GBP78,361 (including bonus)) remained unpaid. The amounts payable to Blue Bone Consulting Pty Ltd have been included in the Directors' remuneration in the Remuneration Report and in Note 3.

During the year the Directors acquired the following shares in the market or directly from the Company:

2024	Number of shares	Consideration £
AMG Lithium B.V. ¹	342,612,420	16,000,000
Total	342,612,420	16,000,000

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2023	Number of shares	Consideration £
Al Marjan Ltd ²	7,500,000	350,250
Diogo da Silveira	1,070,663	50,000
Bruce Griffin	1,110,572	27,136
Matthew King	647,866	26,513
Mary Jo Jacobi	578,900	24,705
Emanuel Proença ⁴	725,000	19,792
Dale Ferguson ³	388,115	18,125
James Leahy	317,066	10,099
Total	12,338,182	526,620

¹ One Director is representative of AMG Critical Materials N.V., parent company of AMG Lithium B.V.

² One Director is representative of Al Marjan

³ 173,983 shares for a consideration of GBP8,125 acquired indirectly through his investment in Slipstream Resources International Pty, Ltd

⁴ Appointed as a Director in April 2024

All shares acquired by Directors were purchased at market price or at the same price of other investors participating in the Company's fundraise.

Detail of the total number of shares held by the Directors is included in the Report of the Directors.

During the year the Company provided services to subsidiaries amounting to GBP1,108,082 (2023: GBP858,089), and received services from subsidiaries amounting to GBP68,529 (2023: GBP158,341), these amounts are included in the Amounts due from Subsidiaries in Note 12.

The cash movements related to related parties' loans are included in the Company Statement of Cash Flows.

21. SHARE OPTIONS

Share Options to subscribe for Ordinary Shares in the Company are granted to certain employees, Directors, and Consultants. Some of the options issued vest immediately and others over a vesting period and may include performance conditions. Options are forfeited if the employee leaves the Group before the options vest, unless standard "Good Leaver" conditions are met.

	2024			2023		
	Number	Weighted average exercise price	Weighted remaining life (years)	Number	Weighted average exercise price	Weighted remaining life (years)
Share Options						
Opening Balance	42,964,380	6.3p	5.42	44,074,380	6.3p	5.44
Granted	-	-	-	-	-	-
Expired	(7,950,000)	10.0p	-	-	-	-
Forfeited	-	-	-	(1,110,000)	5.5p	-
Closing Balance	35,014,380	5.47p	4.38	42,964,380	6.3p	5.42

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FOR THE YEAR ENDED 31 DECEMBER 2024**

Share schemes outstanding as at 31 December 2024 are as follows:

	Outstanding 31 December 2024	Exercisable 31 December 2024	Outstanding 31 December 2023	Exercisable 31 December 2023	Exercise Price	Expiry Date
Share Options						
March 2019 ¹	-	-	7,950,000	7,950,000	10.0p	11/03/24
June 2021	750,000	750,000	750,000	750,000	4.7p	30/06/26
June 2021	750,000	750,000	750,000	750,000	6.2p	30/06/26
June 2021	13,332,190	13,332,190	13,332,190	-	4.7p	30/06/29
June 2021	13,332,190	13,332,190	13,332,190	-	6.2p	30/06/29
October 2021	250,000	250,000	250,000	250,000	4.7p	01/10/26
October 2021	250,000	250,000	250,000	250,000	6.3p	01/10/26
October 2021	3,175,000	3,175,000	3,175,000	-	4.7p	01/10/29
October 2021	3,175,000	3,175,000	3,175,000	-	6.3p	01/10/29
	35,014,380	35,014,380	42,964,380	9,950,000		

¹ Share Options were not exercised and expired on 11 March 2024

All of the Share Options granted attract a share based payment charge.

The Company is contractually committed to issue a total of 20,000,000 Share Options to the CEO, Emanuel Proença, as part of the agreement signed in September 2023. The details of which are as follows:

- 10,000,000 share options with exercise price 4.74p, vesting date 18 September 2026 and expiry date 18 September 2031.
- 10,000,000 share options with exercise price 6.32p, vesting date 18 September 2026 and expiry date 18 September 2031.

The Company is working through eligibility criteria relating to the Portuguese regulatory framework in respect of Share Options, which combined with outcomes of a review of the awards and targets for the LTIP covering the development period from 2025 to 2027, is planned to result in substituting these Share Options with a combination of a new LTIP award and a reduced quantity of Share Options (relating to the proportional vesting of the committed Share Options).

A share based payment charge amounting to GBP109,000 (2023: GBP31,058) has been recognised during the year for these share options to be issued.

The fair value of the Share Options at the date of grant have been measured using the Black-Scholes pricing model that takes into account factors such as the option life, share price volatility and the risk-free rate. Volatility was calculated with reference to the Company's historical share price volatility up to the grant date to reflect a term approximate to the expected life of the option.

The range of inputs of the Share Options committed to be issued in 2023 that are expected to be granted during 2025 were as follows:

Share Options	September 2023	September 2023
Stock price	3.6p	3.6p
Fair value of option	1.8p	1.5p
Exercise Price	4.7p	6.3p
Expected volatility	56%	56%
Expected life	5.5 years	5.5 years
Risk free rate	0.05%	0.05%
Effective grant date	<u>18 September 2023</u>	<u>18 September 2023</u>

This fair value is the cost that is charged to the Statement of Comprehensive Income and is spread over the expected vesting period which, for non-market vesting conditions (as noted above), is revised at each period end.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Share Options granted

No Share Options were granted during 2024 to employees. During the 2023 financial year 20,000,000 Share Options were committed to be issued to employees to assist with the recruitment, reward and retention of key employees. These Share Options vest upon the employee meeting service and/or performance conditions.

The detail of the LTIP Share Options granted to the Directors is disclosed in the Remuneration Report.

22. DISCONTINUED OPERATIONS

In October 2016 Savannah, AME and Rio Tinto entered into a Consortium Agreement ('CA'), whereby both Savannah Group and Rio Tinto combined their respective projects in Mozambique to form an unincorporated consortium. On the 1 December 2021 Savannah signed a Deed of Termination relating to the CA.

The residual costs related to the Mozambique activities during the year are registered as discontinued operations in the Consolidated Statement of Comprehensive Income. The detail of the result of discontinued operations is as follows:

	2024	2023 ¹
	£	£
(Expenses)/Income other than finance costs	(119,265)	625,724
Reverse/(Charge) Capital Gains Tax Provision	301,124	(793,028)
Profit/(Loss) on Discontinued Operations for the year	181,859	(167,304)

Earnings per share from Discontinued Operations

Basic and diluted Gain/(Loss) per share	0.00009	(0.00010)
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¹The comparatives for the year ended 31 December 2023 have been restated to disclose the charge related to the tax provision (note 19)

The Statement of Cash Flows includes the following amounts relating to discontinued operations:

	2024	2023 ¹
	£	£
Net cash used in operating activities	(119,265)	(123,229)
Net cash from investing activities	-	-
Net cash from financing activities	-	47,054
Net cash used in discontinued operations	(119,265)	(76,175)

Savannah is in the process of exiting its residual interest in Mozambique which includes Mining Concession 9735C and finalising administrative work related to the termination of the Consortium Agreement as required by the Mozambique laws. The costs incurred during 2024 and 2023 are related to these activities.

23. EVENTS SINCE THE REPORTING DATE

There were no events after the reporting date to report.

GLOSSARY
FOR THE YEAR ENDED 31 DECEMBER 2024

Title	Abbreviation	Definition
Agência Portuguesa do Ambiente	APA	The Portuguese Environment Agency.
Aldeia & Irmão S.A.	Aldeia	Private Portuguese company.
Article 16 of Decree-Law No. 151-B/2013, amended and republished by the Decree-law 152-B/2017 of 11 December	Article 16	The Portuguese law which regulates Environmental Impact Assessments.
Barclays Bank PLC, acting through its Investment Bank ('Barclays') and Barrenjoey Advisory Pty Limited	Barclays and Barrenjoey	Joint advisers appointed to lead on the Strategic Partnering Process.
The Barroso Lithium Project	BLP, the 'Project'	Savannah's wholly owned lithium project in northern Portugal.
Comissão de Coordenação e Desenvolvimento Regional do Norte	CCDR-N	Northern Regional Coordination and Development Commission – A public institution that works towards the integrated and sustainable development of the North Region of Portugal, contributing to the country's competitiveness and cohesion.
Community Insights Group	CIG	A social impact management consultancy that helps its clients in their efforts to respect people's rights and make a difference in their communities.
COTEC Portugal	COTEC	The main Portuguese business association for the promotion of business innovation and technological cooperation.
Critical Raw Materials	CRMs	Raw materials which have been classified by national governments and the European Commission as being indispensable to a country or region's economy and strategic sectors such as renewable energy, digital, aerospace and defence.
Critical Raw Materials Act	CRMA	The European Critical Raw Materials Act, part of the Green Deal Industrial Plan, has been enacted by the European Commission to ensure the EU has access to a secure and sustainable supply of critical raw materials to enable it to meet its 2030 climate and digital objectives. Amongst other objectives the Act sets a target of at least 10% of the EU's annual consumption of Critical Raw Materials, such as lithium, to be fulfilled by domestic extraction from 2030.
Decisão sobre a Conformidade Ambiental do Projeto de Execução	DCAPE	Declaration on the Environmental Compliance of the Execution Project – The decision issued by APA following completion of the RECAPE (see below) phase of the environmental licence process for a project.
Declaração de Impacte Ambiental	DIA	An Environmental Impact Statement - The opinion given by APA on a project's Environmental Impact Assessment.
Definitive Feasibility Study	DFS	A comprehensive technical and economic study of the proposed Project and will include among other elements.
Direção-Geral de Energia e Geologia	DGEG	A service of the state's direct central administration whose mission is to contribute to the design, promotion and evaluation of policies relating to energy and geological resources, with a view to sustainable development and guaranteeing security of supply.
Electric Vehicle	EV	A vehicle that can be powered by an electric motor that draws electricity from a battery and is capable of being charged from an external source.

GLOSSARY
FOR THE YEAR ENDED 31 DECEMBER 2024

Title	Abbreviation	Definition
Environmental Impact Assessment	EIA	An EIA evaluates a project's environmental and social impact during its construction, operation, closure and post-closure phases. The outcome of the EIA is a project design and a set of actions to be undertaken which minimises the environment and social impact of the project throughout all its active phases and over the long term, post closure.
European Commission	EC	The European Commission is the primary executive arm of the European Union.
Greenhouse gases	GHG	Gases in the earth's atmosphere such as carbon dioxide and methane which trap heat and contribute to global warming.
Independent Review	Independent Review	The Company commissioned CMS Portugal (Rui Pena, Arnaut e Associados, RL), part of the internationally renowned law group CMS, to conduct an independent review of the Company's activities between 1 January 2017 and 31 October 2023 in relation to Operation Influencer.
Internal Rate of Return	IRR	IRR is a that makes the Net Present Value of all cash flows equal to zero in a discounted cash flow analysis.
Legal Opinions	Legal Opinions	Legal opinions provided by a renowned Portuguese legal expert in constitutional and penal law, and also from the specialist Portuguese law firm, Gama Glória.
Lithium Carbonate Equivalent	LCE	The traditional lithium industry measure used when comparing masses of differing lithium materials.
Lithium hydroxide Equivalent	LHE	Alternative lithium industry comparator for masses of differing lithium materials.
Mais Boticas	Mais Boticas	Boticas Business Association.
Memorandum of Understanding	MoU	A non-binding agreement that states each party's intentions to take action, conduct a business transaction, or form a new partnership.
Net present value	NPV	A financial metric that seeks to capture the total value of an investment opportunity.
Operation Influencer	Operation Influencer, the Investigation	An investigation run by the Portuguese Public Prosecutor into possible active and passive corruption, undue influence, malfeasance and other wrongdoings in relation to a variety of "green" projects including Savannah's Barroso Lithium Project.
Quoted Companies Alliance	QCA	A UK independent membership organisation that champions the interests of small to mid-size quoted companies.
Relatório de Conformidade Ambiental do Projeto de Execução	RECAPE	The Environmental Compliance Report of the Execution Project - Following award of a DIA, the proposer is required to develop the execution project in compliance with the provisions of the DIA and produce this report as part of the environmental licencing process.
Social Impact Assessment	SIA	A process of research, planning and management of social change or consequences (positive and negative, intended and unintended) arising from policies, plans, developments and projects.
Strategic Partnering Process	SPP, the Process	The Process Savannah is undertaking advised by Barclays & Barrenjoey to identify potential strategic partners both willing and able to assist with the Project's future development and financing, and which also bring complementary skills or additional opportunities to Savannah.

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

DIRECTORS:	Rick Anthon Diogo da Silveira Emanuel Proença Dale Ferguson Mike Connor Bruce Griffin Mohamed Sulaiman	Chairman Deputy Chair Chief Executive Officer Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
SECRETARIES:	Christopher Michael McGarty c/o Salisbury House London Wall London EC2M 5PS	Dominic Traynor Salisbury House London Wall London EC2M 5PS
REGISTERED OFFICE:	Salisbury House London Wall London EC2M 5PS	
REGISTERED NUMBER:	07307107 (England and Wales)	
AUDITORS:	BDO LLP Chartered Accountants & Statutory Auditors 55 Baker Street London W1U 7EU	
BANKERS:	NatWest Bank Plc St James' & Piccadilly Branch PO Box 2DG, 208 Piccadilly London W1A 2DG	Barclays Bank plc 1 Churchill Place London E14 5HP
NOMINATED ADVISER:	SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP	
JOINT BROKERS:	SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP	Canaccord Genuity Limited 88 Wood Street London EC2V 7QR
SOLICITORS:	Druces LLP Salisbury House London Wall London EC2M 5PS	
REGISTRARS:	Share Registrars Limited 3 The Millennium Centre, Crosby Way Farnham Surrey GU9 7XX	
WEBSITE:	www.savannahresources.com	