

14 January 2025

Excellent progress made as Barroso Lithium Project moves towards development

Savannah Resources Plc, the developer of the Barroso Lithium Project (the 'Project') in Portugal, Europe's largest spodumene lithium deposit, is pleased to announce that it has made significant progress in the remaining study works and licensing process to bring the Barroso Lithium Project into production.

Highlights:

- **Definitive Feasibility Study ('DFS')**: Fieldwork advancing quickly after restarting a month ago, with drilling now underway at the Reservatório orebody. Marked progress on many other fronts relating to layout, equipment procurement and updated costings.
- **Environmental licencing**: Various studies advanced for the 'RECAPE' phase of the licencing process, along with stakeholder engagement to ensure optimum design and minimised impact.
- **Infrastructure**: Preliminary bypass road design complete, stakeholder consultation underway and work well advanced towards submission for separate DIA approval.
- **Recruitment**: The team in Portugal has grown to over 25 staff including 17 across the Technical, Community Relations and Communications teams. Recent recruitment has included people from the small villages in the region for a variety of roles, and seasoned professionals in key specialty roles (some of which are moving to Boticas).
- **Stakeholder Engagement**: Widespread communication undertaken in support of current fieldwork, whilst finalising key frameworks for long term stakeholder engagement.
- **Long-term Land access**: Savannah is in the process of purchasing another set of plots and has initiated the process for compulsory acquisition of relevant land which it does not own at the Project (which is always needed in a variety of situations, e.g. for plots with inheritance issues, undefined ownership, or very small dimensions, etc.). At present Savannah continues to offer landowners the opportunity to sell or lease land to the Company based on its previously proposed frameworks and rates.

Savannah's CEO, Emanuel Proença, said, "Following the award of the temporary land access order last month, the technical team has made a great start to the latest fieldwork campaign with drilling already underway at Reservatório and starting imminently at Pinheiro. They have been ably assisted by our Community Relations team, which, as usual, has been highly active on the ground communicating our plans and activities to local residents. This fieldwork programme will provide much of the outstanding data we need to complete the DFS and environmental licencing process later this year.

“Following the bureaucratic delay experienced with the temporary land access order last year, we are firmly focused on all fronts to keep moving the Project forward towards production in a timely manner. Our local infrastructure has also been subject to improvements, with the inauguration of our new Geology Centre and works under way for the rehabilitation of houses in Covas do Barroso and the expansion of our office in Boticas.

“As our Chair, Rick Anthon, said in his 2024-year end statement just before Christmas, we expect 2025 to be our busiest year to date at the Project with major progress made and significant news flow generated. I am excited and proud to be executing it with a growing team of excellent professionals, now already predominantly based in the region.”

Further Information

Definitive Feasibility Study

The DFS is the detailed analysis of the technical, commercial and economic feasibility of the Project. Recent progress on DFS-related matters includes:

- **Drilling Programme:** The second phase of drilling required to complete updates on the Project’s JORC compliant Resources as well as gathering outstanding geotechnical and hydrogeological data is underway. To date 37 drill pads are ready to receive rigs with a further 10 in the final stages of preparation. Drilling will take place across Pinheiro, Grandão and Reservatório with 117 holes planned for a total of 12,961m.
- **Site layout:** The locations for the processing plant, pits, waste dumps, tailings and water storage facilities, roads and HV power infrastructure have been finalised.
- **Mining:** Pit and waste dump designs have been completed pending finalisation of geotechnical assessment. Mine scheduling has also been completed.
- **Processing Plant:** Process flowsheet finalised and feasibility design/3D model development is well advanced.
- **Procurement:** Budget quotations for all significant mechanical equipment have been received. Budget quotations requests for electrical equipment, steel/pipe fabrication and installation contracts are being prepared.
- **Tailings and Water Storage:** The preliminary designs have been completed for the Tailings Storage Facility, water reservoirs and environmental control dams.
- **Hydrogeology:** The site investigation work including drilling of water bores and pump testing has been completed. Hydrogeological modelling is in progress.
- **Decarbonisation:** There are two main sources of emissions from the Project, the processing plant and the mining fleet.
 - Savannah continues to explore opportunities to transition the Project’s initial mining fleet (expected to be diesel) to technologies that allow a significant reduction in carbon emissions, including hybrid and/or fully electric equipment. Savannah recently 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.

- The processing plant will be powered from the national grid, which during January to November 2024, included over 80% renewable power generation. Savannah plans to negotiate a 100% renewable supply for Project.
- **Ceramics by-products:** Savannah continues to engage with significant potential customers/partners in the ceramics industry for the Project's feldspar-quartz by-product. The Company is also executing an independent product characterisation and market study with a reputable Portuguese consultant.

Figure 1. Drilling underway at Reservatório



Environmental Licencing

Good progress has been made on many of the studies required for the compliance phase ('RECAPE') of the environmental licencing process, which is underway following the Project's receipt of a positive environmental impact declaration ('DIA') in May 2023. Recent progress includes:

- **Studies:** Studies on ecology (flora and fauna), noise and vibration, landscape, archaeological and water resources were all completed during Q4 2024.
- **Study area:** At the request of the regulator, the study areas were expanded to cover the various elements associated with the Project (e.g. power line, northern access road and other elements located partially outside of the Mining Concession).
- **Stakeholder Engagement:** Engagement (including meetings, emails communication and exchange of information) has been ongoing to ensure that stakeholders' input is reflected in the RECAPE design.

Figure 2. Ground and surface water sampling as part of RECAPE studies

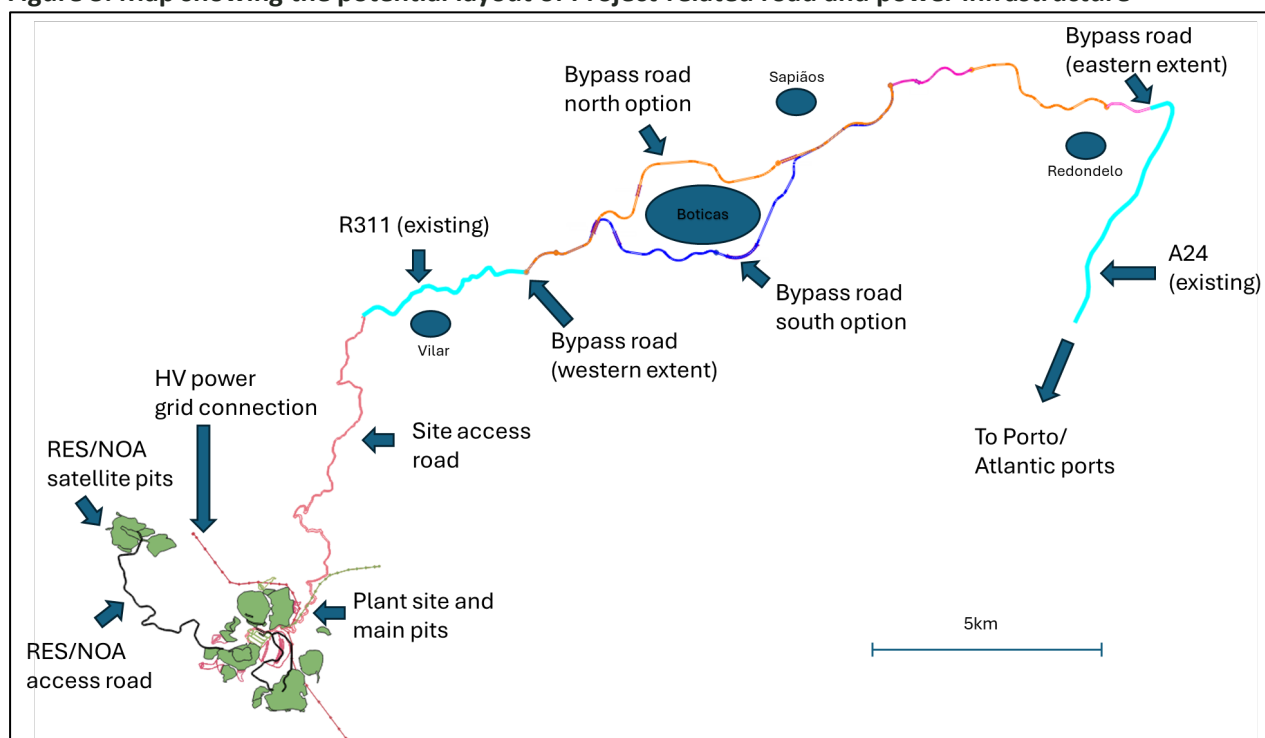


Infrastructure

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 preliminary road alignment was finalised and underwent stakeholder review and feedback. 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 completed in February 2025 for review and submission to the Portuguese regulator.
- **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.

Figure 3. Map showing the potential layout of Project-related road and power infrastructure



Recruitment

The team in Portugal has grown to over 25 staff including 17 across the Technical, Community Relations and Communications teams. Recent senior hires include a second Senior Geologist and an HR Manager. Further hires to the technical team are expected over the coming weeks.

Stakeholder Engagement

Savannah is continuing to work closely with the Project’s stakeholders with key areas of recent focus including:

- **Active Stakeholder Engagement:** Savannah is continually refining how it interacts with communities with the focus on meaningful engagement. Through one-on-one meetings, community meetings and informal gatherings, we listen to diverse voices and incorporate feedback into our initiatives. A Stakeholder Engagement Plan, being crafted with Community Insights Group, underpins these efforts, ensuring community concerns are addressed and considered in decision-making.
- **Building trust through transparency:** Trust starts with transparency, and Savannah is committed to open communication at every step. By sharing project updates through accessible channels like our information centres, community journals, and media channels, we aim to ensure clarity and build credibility. Transparent engagement fosters stronger relationships and empowers our stakeholders with timely, accurate information.
- **Proximity and local integration:** Savannah is mixing increasingly with the community by enhancing its local presence and fostering personal connections. Increased staff interaction in daily life, the upcoming repurposing of one of our Information Centres into a community hub, and initiatives like

guided mine visits and support for local projects reflect our commitment to being a partner in regional development.

- **Amplified social responsibility:** With a strong focus on community impact, Savannah is scaling up its social initiatives. From the development of livelihood restoration plans, discussions with local organisations for the creation of joint partnership initiatives, to community transportation and expanded local event sponsorship, Savannah is driving tangible benefits that resonate with stakeholders. More frequent community meetings and diversified local partnerships further strengthen its commitment to shared growth.
- **Operational excellence for trust and growth:** Savannah is taking proactive steps to foster trust and mitigate conflict, including finalising key frameworks like the Stakeholder Engagement Plan and Grievance Mechanism Protocol. Enhanced collaboration with regional authorities and strategic training initiatives underline the company's focus on long-term stability and community alignment, ensuring sustainable success for all.

Figure 4. A recent community meeting in Savannah's newly refurbished Geology Centre



Long-term land access

Following the granting of a temporary land access order in December 2024, which has allowed fieldwork at the Project to proceed, Savannah has now initiated the process for compulsory acquisition of relevant land (primarily the land to the eastern side of the Project area where Pinheiro, Grandão, the process plant and related infrastructure are located) which it does not own at the Project. This is a right provided by the mining law in Portugal for mineral exploitation under mining licences, and compulsory acquisition is common practice in the country in relation to infrastructure projects across the power and transport sectors.

Furthermore, it offers a practical solution in a variety of situations, e.g. for plots with inheritance issues, undefined ownership, or which have very small dimensions, etc. All relevant landowners have been notified about the compulsory acquisition process (either individually by post, through official advertisements at local entities or via the media with public advertisements) and values for the land plots concerned have been calculated by independent surveyors certified by the Portuguese Courts.

Savannah will now officially submit the request for a Declaração de Utilidade Pública (Declaration of Public Utility ('DPU')) to the relevant governmental authorities for approval. This is the mechanism that grants public utility which is necessary for compulsory acquisitions. 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.

To date under its own land acquisition programme, Savannah has purchased well over 100 plots and the Company continues to offer landowners the opportunity to sell or lease land to the Company based on the previously proposed frameworks and rates. These are on average two times the values calculated by the independent surveyors in the compulsory purchase process for private land (€2 or €2.50€/m² depending on land type under Savannah's proposal versus €1 based on the independent valuation), and four times higher for the Covas do Barroso Baldios land over the life of the Project as defined by the 2023 DIA (€8.6m based on Savannah's proposal versus €2.2m based on the independent valuation). However, should the compulsory acquisition process be used, stakeholders would still be assured of an alternative and equally transparent process as that proposed by Savannah.

Key milestones and expected future news flow during H1 2025:

- **DFS:**
 - Completion of current drilling programme with assay results and updates released periodically during the programme.
 - Updates to the Pinheiro, Grandão and Reservatório JORC compliant Resource estimates.
 - Completion of update on the Project's CAPEX and OPEX estimates based on finalisation of designs for key project infrastructure.
 - Completion of independent product characterisation and market study for feldspar-quartz by-product
- **Environmental Licencing:** Finalisation of key work streams for RECAPE submission.
- **Infrastructure:** Completion of the bypass road design and submission of the DIA application.
- **Recruitment:** Continuing expansion of the technical team in support of the current field programme.
- **Stakeholder engagement:** Ongoing relationship building through events, community initiatives and comprehensive communications.
- **Long-term land access:** Process for potential utilisation of compulsory acquisition.

Regulatory Information

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

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****ENDS****



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About Savannah

Savannah Resources is a mineral resource development company and the sole owner of the Barroso Lithium Project (the 'Project') in northern Portugal, the largest battery grade spodumene lithium resource outlined to date in Europe.

Through the Project, Savannah will help Portugal to play an important role in providing a long-term, locally sourced, lithium raw material supply for Europe's lithium battery value chain. Once in operation the Project will produce enough lithium (contained in c.190,000tpa of spodumene concentrate) for approximately half a million vehicle battery packs per year, and hence make a significant contribution towards the European Commission's Critical Raw Material Act goal of a minimum 10% of European endogenous lithium production from 2030. Savannah is being supported in its development goals by its strategic partner and largest shareholder AMG Critical Materials N.V., the global critical materials business.

Savannah is focused on the responsible development and operation of the Barroso Lithium Project so that its impact on the environment is minimised and the socio-economic benefits that it can bring to all its stakeholders are maximised.

The Company is listed and regulated on the London Stock Exchange's Alternative Investment Market (AIM) and trades under the ticker "SAV".