

25 June 2020

## Chairman's Statement for AGM

Savannah Resources plc (AIM: SAV, FWB: SAV and SWB: SAV), the AIM quoted resource development company, announces that at today's AGM Matthew King, the Company's Chairman, will make the following statement.

"When I wrote to you in February 2020 in my Chairman's Statement in our 2019 Annual Report and Accounts, the coronavirus crisis was still emerging and much of the world had yet to go into lockdown. Much has changed since then and it is appropriate I update you on the steps taken by your Board in response to the crisis and what we believe to be the longer term impacts for Savannah.

"First and foremost I would like to pay tribute to our management and staff for the commitment they have shown over the last four months. In the interests of our staff, their families and the communities in which we work, we took early steps on 2 March, to suspend all field activities and non-essential travel and to commence remote working. We have supported our communities with offers of help and the provision of personal protective equipment.

"While the executive and board have always maintained a close watch on costs, additional cost saving measures were also instigated in March 2020. These included: 20% reductions in salaries for the senior management team; no bonuses were paid to senior executives with respect to the 2019 financial year and James Leahy and I also reduced our Director's fees by 20%. These measures will remain in place for the time being. Further measures were also taken as part of a tempered and cautious approach that is appropriate to the current setting.

"Despite these changes, a major milestone was achieved on 30 May with the submission to the Portuguese environmental regulator of the completed Environmental Impact Study (EIA) and accompanying Mine Plan for the Mina do Barroso lithium project ("Mina do Barroso" or the "Project"). We are pleased that the EIA presents a comprehensive body of fact based evidence which shows that Mina do Barroso can be a 'low impact' project, minimising disturbance to both the natural environment and local communities, while also maximising the very significant socio-economic benefits the Project can bring to the local area and Portugal as a whole. The significance of Mina do Barroso to Europe's new lithium battery value chain was also reinforced by the agreement secured with EIT InnoEnergy at the end of May 2020. Completion of the feasibility study for the Project, now expected in H1 2021 which will help synchronise Mina do Barroso with anticipated lithium hydroxide refinery developments in Europe, securing an off-take agreement, securing financing for the Project and achieving the necessary governmental and social licences for the Project continue to be very much the executive team's priorities.

“I would like to particularly note that Savannah is making excellent progress around securing a long-term offtake for its spodumene concentrate. The Company is intent not only on building a sustainable, low carbon footprint project but also in forging strong European partnerships and alignments to support the development of Mina do Barroso.

“While your company is now very much focused on the successful development of Mina do Barroso, work is continuing on the development of our world class Mutamba mineral sands project in Mozambique with our Joint Venture partner Rio Tinto. We also continue to explore opportunities to realise value from our copper projects in Oman.

“Moving to the corporate arena, I am delighted to welcome WH Ireland to our broking panel. WH Ireland has an established investment expertise in the lithium sector and brings an extensive client network. I would like to thank Whitman Howard for their enthusiastic support over the last few years.

“Much pessimism abounds regarding the general prospects for the world’s economies in the short to medium term. Nonetheless, there are good reasons for believing the coronavirus pandemic will give a boost to the prospects for sustainable energy sources from which suppliers of lithium should benefit. At the same time, the potential for dislocation to inter-continental supply chains has demonstrated the importance for Europe in developing a regional lithium battery value chain.

“Your Board is looking to ensure our shareholders are well-placed, through Mina do Barroso, to benefit from these trends. Your board’s confidence in our prospects can be demonstrated by the significant cash investments made by us in the Company. In the case of Mr Imad Sultan and Mr Maqbool Sultan, Al Marjan Ltd, a company associated with them holds approximately 268.3 million shares, the CEO, Mr David Archer, 41.8 million shares, Mr Dale Ferguson, 3.3 million shares and the Alternate Director, Mr Manohar Shenoy 5.8 million shares. More recently James Leahy has shown his confidence in our strategy by acquiring 1.15 million shares, and at the beginning of this year I exercised options over 1.5 million shares to add to my existing 1.1 million shareholding.

“I am grateful to you for sharing our vision.”

### **Regulatory Information**

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

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### **About Savannah**

Savannah is a diversified resources group (AIM: SAV) with a portfolio of energy metals projects - lithium in Portugal and copper in Oman - together with the world-class Mutamba Heavy Mineral Sands Project in Mozambique, which is being developed in a consortium with the global major Rio Tinto. The Board is committed to serving the interests of its shareholders and to delivering outcomes that will improve the lives of the communities we work with and our staff.

The Company is listed and regulated on AIM and the Company's ordinary shares are also available on the Quotation Board of the Frankfurt Stock Exchange (FWB) under the symbol FWB: SAV, and the Börse Stuttgart (SWB) under the ticker "SAV".