

22 April 2021

Mina do Barroso Environmental Impact Assessment Update

Highlights

- **Mina do Barroso EIA documents available for public consultation**
- **Savannah is committed to managing the Environmental, Social and Governance aspects of its activities at Mina do Barroso in line with high ESG standards and international industry best practice.**
- **238 individual minimisation measures contained in the EIA which are designed to eliminate, mitigate, or minimise impacts**
- **An innovative and socially responsible Benefit Sharing Plan which will produce enduring value and contribute to the economic and social development of the local communities**
- **A Good Neighbour Plan to maximise positive outcomes for local communities**

The Environmental Impact Assessment (“EIA”) of the Mina do Barroso Lithium Project (“Mina do Barroso” or the “Project”) in north east Portugal moved into the public consultation stage today with the release of the EIA documents on the Portuguese Environment Agency (Agência Portuguesa do Ambiente, “APA”) website. On 16 April 2021, APA declared Mina do Barroso’s EIA to be in conformity with its requirements for the content of the EIA. The period of consultation will extend over a period of 40 days and close on Wednesday, 2 June 2021.

Results from the public consultation and the Evaluation Committee’s review will then form the basis for the Committee’s “Final Technical Statement” which will allow APA to prepare the contents of the Environmental Impact Declaration (“DIA”) and award the Project its DIA, should this be the decision. Assuming there are no statutory delays, Savannah is expecting to receive the DIA during August 2021. Subject to the results of the EIA, construction is targeted to commence in 2022 with commercial production in 2023.

The public consultation phase of APA’s review process is designed to introduce the EIA to stakeholders and to collect opinions, suggestions and other contributions from those interested in Mina do Barroso. During the public consultation phase, stakeholders will be able to review and comment on Savannah’s plans for Mina do Barroso and how the impacts during the different phases of the Project: construction, operation, environmental rehabilitation and closure, will be managed.

David Archer, Savannah’s Chief Executive Officer, said: “We are pleased that the EIA is now ready for public consultation. The EIA documents provide a facts-based analysis to aid stakeholders’ evaluation of the Project.

“The EIA outlines how we care for the environment and the local communities. We are keenly aware of the environmental and social impacts of our activities, from design right through to rehabilitation and mine closure. Protecting the environment and the safety and wellbeing of those communities is our prime concern and an essential part of our care for future generations. This is highlighted by 238 individual minimisation measures contained in the EIA which are designed to eliminate, mitigate, or minimise impacts and by a Benefit Sharing Plan and a Good Neighbour Plan, both of which endeavour to support and benefit local communities through the sponsorship of meaningful and relevant local community projects.

“The EIA is a synthesis of almost three years of work and outlines a development approach for the Project that is sustainable, responsible and innovative. Mina do Barroso will be an example of the application of “Green and Smart” management and control practices to mineral production. The Project has been designed to have a low CO2 footprint with the use of locally abundant renewable power such as wind and hydro and in the medium term we are targeting NetZero CO2 emissions.”

The EIA is a comprehensive document having been written by VISA Consultores (“VISA”), one of Portugal’s leading environmental consultancies, along with 28 sub-consultants all of whom are leaders in their fields. The EIA assesses all the features of the Project including the socio-economic, heritage, cultural, planning and environmental aspects. The EIA documents can be downloaded from the APA website (<https://siaia.apambiente.pt/AIA.aspx?ID=3353>) and further information can also be found on the Savannah website (<https://www.savannahresources.com/environmental-impact-assessment-eia/>).

A series of detailed studies on all aspects of the proposed development were completed for the EIA, with significant emphasis placed on designing the project to ensure that the impacts in general are of low impact, or, with innovative designs and technologies, eliminated. Approximately €15 million will be invested in measures that are specifically designed to either eliminate, mitigate or minimise potential environmental impacts.

Some of the key outcomes for the Project include:

- **Air quality** will be assured during the life of the Project with the management of concentrations of dust in the air within all legally established limits. Dust monitoring will be continuous. Outside of periods of rainfall, Savannah will treat unpaved roads with water to minimise dust generation.
- **Water quality** will not be affected, since after use, all water will be treated in a water treatment plant to be built in the Project area and Savannah will mainly use surface and groundwater collected in the Project area. Water consumption will be monitored via meters installed at

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relevant points in the water supply network. Approximately 85% of the water used in the processing plant will be recovered and recycled in the process. Reagents used in processing will largely be organic based, with the innovative use of oleic acid (a constituent of olive oil).

- **Sound levels** will be managed and will comply with the regulated sound limit values. Blasting will only occur on 3 to 4 days per week between Monday and Friday, between 12pm and 3pm. There will be no blasting at weekends. Extensive, strategically located earthen barriers covered with newly planted trees will be created as an effective measure to contain and minimise sound from the Project.
- **Project Traffic** will not affect local villages as a €6m bypass road has been designed which will take all inbound and outbound vehicle movements to the Project and in a direction distant from local villages. This will mean no trucks or mine related traffic will pass through the surrounding villages and will eliminate the possibility of traffic noise.
- **Vibration levels** will not affect local residents. Drill patterns for mining the ore have been designed to ensure that the vibrations will not, in any circumstances, exceed the regulated limits with respect to the nearest surface infrastructure. Savannah has developed its own prevention and control methodology to prevent damage to buildings and structures.
- The **quality of the soil** will be monitored, managed and preserved, since the operation will not use chemical products that might alter it. One of the most important measures is the preservation of the topsoil from the areas to be affected by the operation. This topsoil will be removed, stored, safeguarded and cared for appropriately so that it can be re-laid during rehabilitation as a basis for revegetation of native species.
- **Waste management** is ensured by the Deposition and Waste Management Plan, and through the Best Available Techniques (BAT) ensuring optimized waste management, in compliance with the Mine Plan and government regulations, without creating local impacts.
- **Progressive and ongoing rehabilitation** will start on day one, continue throughout the operation and will be monitored and managed after the de-commissioning of the Project. The rehabilitated land in the Project area will be offered to the respective Parish Councils, making them available for use by the communities, for agriculture, tourism, community owned businesses such as pumped hydro or other purposes. Our goal is to ensure the Mina do Barroso site is safe and stable, and that the cost of aftercare/ rehabilitation is appropriately provided for.
- An innovative and socially responsible **Benefit Sharing Plan**, designed by Savannah which will produce enduring value and contribute to the economic and social development of the local communities. The Plan will result in the creation of a community foundation, to which Savannah will donate €500,000 per year (some €6 million in total mine life), in order to share the benefits

of the Mina do Barroso Project with its surrounding communities. An annual activity plan will be defined, in line with local and regional socio-economic objectives, in accordance with the needs of the communities and Boticas Municipality, through a process of consultation with the community and local management entities.

- The **Good Neighborhood Plan** encompasses a collaborative sharing of the use of the Mina do Barroso Project facilities in times of community need or emergency such as the Project's medical clinic. Where possible we will prioritise local employment and local service provision. The Project will work closely with and contribute funding to local fire management services.

Savannah will continue its open dialogue with local communities and will establish a community collaborative committee which will meet regularly to discuss the Project, take on board the community's thoughts and as a conduit to the local community of news of planned activities. The committee will be established immediately after the EIA approval.

According to the technical assessment carried out, the most significant positive impacts occur in terms of socioeconomics, with local, regional and national expression, allowing the creation of 215 direct jobs and between 500-600 indirect jobs. In the same report, it is also recommended the implementation of measures that will allow the revitalization of the space used by Mina do Barroso and of a Monitoring Plan that, among other aspects, will allow the environmental revitalization, with the preservation of the fauna and flora of the region.

Mina do Barroso, involves a significant investment for the construction of the mine development and associated local infrastructure including €15 million in measures that either eliminate or reduce potential environmental impacts. The Project is currently the most significant project for the production of spodumene lithium in Western Europe. With planned annual lithium production capacity sufficient to power around 500,000 electric vehicles, Mina do Barroso will be an anchor project that will act to crystallize the development of the lithium-ion battery value chain in Portugal.

With a responsible, sustainable mining operation with low impacts through innovation and mitigation, the Environmental Impact Study thus concludes that impacts from Mina do Barroso can be successfully managed and will contribute significantly to the development of the region and Portugal as a whole.

This Announcement contains inside information for the purposes of the UK version of the market abuse regulation (EU No . 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").

****ENDS****



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About Savannah

Savannah is a diversified resources group (AIM: SAV) with two development stage projects, Mina do Barroso, a hardrock lithium project in Portugal which has the largest spodumene lithium resource in Europe, and 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".