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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 ("MAR").

## Result of Oversubscribed Placing

Savannah Resources plc (AIM: SAV, FWB: SAV and SWB: SAV) ('Savannah' or the 'Company'), the AIM quoted resource development company, which is focused on becoming Europe's most significant producer of spodumene lithium from its Mina do Barroso Project in Portugal ('Mina do Barroso', 'MdB' or the 'Project'), is pleased to announce that further to its announcement yesterday (the "Launch Announcement"), it has successfully completed a significantly oversubscribed Placing, which is now closed. The private placement took place through an accelerated bookbuilding process managed by Clarksons Platou Securities AS, finnCap Ltd and WH Ireland Limited.

The Company has raised, in aggregate, £10 million (before expenses) through the Placing of 250,000,000 Placing Shares at a Placing Price of 4 pence per Placing Share and £0.3 million through a direct subscription of 7,968,785 Subscription Shares also at the Placing Price of 4p (the "Subscription").

**David Archer, CEO of Savannah Resources plc, commented:** *"We are delighted by the interest shown in Savannah by the international equity capital markets and I would like to thank both our existing and new shareholders for their participation in the Placing. We are particularly pleased to welcome a number of new European investors to our register. The £10.3m raised combined with the US\$6.4m investment*

*expected from Galp Energia SGPS, S.A ('Galp') in the Mina do Barroso project holding company, and our existing cash reserves, puts Savannah in a strong financial position as we continue to move towards the development phase at Mina do Barroso.*

*"Our greatly increased capital position will not only allow Savannah to complete the appraisal of Mina do Barroso, but to complement that work by evaluating opportunities to further enhance the Project's ESG credentials, undertaking exploration to define additional resources, and adding key personnel to our project team as we proceed to the development phase.*

*"It also gives us a greater position of strength from which to develop Savannah's lithium business beyond Mina do Barroso. The global lithium industry is experiencing a period of strong recovery after a two-year period of falling prices. Lithium raw material prices have all experienced significant increases since Q4 2020, including the spodumene price which has risen approximately 70% since November, as supply tightness has coincided with greater demand driven by the rapid growth in EV sales.*

*"Nowhere is this more apparent than in Europe with well over a million EVs sold last year despite the impact of COVID-19. The European Commission expects the region's demand for lithium to increase 18x by 2030, while the capacity of the region's domestic battery manufacturing industry is forecast to grow more than 10x as Europe's battery value chain expands rapidly in support of the e-mobility revolution. Savannah is already one of the leading players in Europe's new lithium raw material supply industry and should now leverage its hard-earned position to further expand its lithium supply business in Europe to maintain and grow its future share of the market.*

*"Lithium represents the future for Savannah, but we also remain committed to completing the technical and corporate review of the Mutamba mineral sands project in Mozambique with our partner, Rio Tinto. Hence a portion of the funds raised today will be used to maintain the project, finalise the review work and execute its findings. This should ensure that Mutamba's future and its true value can be clarified for the benefit of our shareholders and the other stakeholders in the project.*

*"It is an exciting time in the global lithium sector right now and Europe is rapidly defining itself as a major demand centre with a focus on responsibly sourced raw materials. Savannah is ideally placed to service that demand and will be generating significant news flow over the next 12 months as it takes Mina do Barroso through a number of key milestones and looks to enhance and develop its lithium business."*

### **Admission to trading on AIM**

The Placing and Subscription are conditional on the admission of the Placing Shares and Subscription Shares to trading on AIM ("Admission"). Application has been made to the London Stock Exchange for Admission which is expected to become effective and dealings in the Placing Shares commence at 8.00 a.m. on 26 April 2021.

The issuance of the Placing Shares and Subscription Shares will be made from the authorities granted to directors to issue ordinary shares at the Annual General Meeting of the Company held on 25 June 2020.

#### Director and PDMR participation in the Placing

Matthew King, the Company's Chairman and Michael McGarty, the Company's CFO, have subscribed for an aggregate of 562,500 Subscription Shares at the Placing Price pursuant to the Subscription in the proportions set out below:

<i>Director/PDMR</i>	<i>Ordinary Shares held</i>	<i>Subscription Shares subscribed for</i>	<i>Ordinary Shares held following Admission</i>	<i>Percentage of Ordinary Shares following Admission</i>
Matthew King, Chairman	2,604,028	312,500	2,916,528	0.17%
Michael McGarty, CFO	795,238	250,000	1,045,238	0.06%

#### Related party transaction

Matthew King is a Director of the Company. Matthew King's participation in the Subscription (the "Director Subscription") therefore constitutes a related party transaction in accordance with AIM Rule 13. The Savannah Directors other than Matthew King, who are not subscribing for Placing or Subscription Shares and are therefore independent Directors for these purposes, having consulted with the Company's Nominated Adviser, consider the terms of the Director Subscription to be fair and reasonable insofar as Savannah's shareholders are concerned.

#### Significant shareholdings

Following the Placing, the percentage holds of certain significant shareholders will change as per the table below:

<i>Shareholder</i>	<i>Holding Prior to the Placing</i>	<i>Percentage of Ordinary Shares Prior to the Placing</i>	<i>Number of Placing Shares / Subscription Shares Subscribed for</i>	<i>Holding Following Placing</i>	<i>Percentage of Ordinary Shares Following Placing</i>
Al Marjan Ltd	268,262,589	18.75%	0	268,262,589	15.88%
Slipstream Resources Investments Pty Ltd	147,180,000	10.29%	0	147,180,000	8.71%

## Total voting rights

Following Admission of the Placing Shares and Subscription Shares, the Company's issued and fully paid share capital will consist of 1,688,959,820 Ordinary Shares. The Company has no Ordinary Shares in treasury. As such, the total number of voting rights in the Company will be 1,688,959,820 Ordinary Shares. This number may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.



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