

20 April 2023

**Barroso Lithium Project EIA Update  
End of Public Consultation Period**

Savannah Resources, the European lithium development company, notes that the public consultation period on the revised Barroso Lithium Project (the 'Project') Environmental Report and Mine Plan closed yesterday. Savannah welcomed the opportunity for all interested parties to provide feedback on its revised plans for the Project. Savannah now expects Agência Portuguesa do Ambiente ('APA') to continue with its review of the Project documentation and feedback received and to issue its Environmental Impact Statement ('DIA') on the Project by 31 May 2023.

The Company has used best practice and innovative design to incorporate numerous measures to remove, minimise or mitigate against both its environmental and social impact. Among many optimisations made in the Project's revised design, Savannah has specifically addressed the previous feedback received from stakeholders regarding management of water resources, layout of Project-related infrastructure, ecology and landscape impacts, and socio-economic considerations.

Savannah believes the Project can be an example of compatibility between responsible critical raw material production, economic growth and community benefits.

**Dale Ferguson, CEO of Savannah** said "We welcomed the opportunity which the public consultation period provided for interested parties to share their feedback on our revised plans for the Project.

"Portugal is fortunate in having high quality lithium resources which could allow it to play a key role in providing a raw material which the European Commission has identified as being critical and strategic for the region's energy transition, as it looks to combat the effects of climate change and develop new sectors in its economy.

"Savannah is committed to developing the Barroso Lithium Project in a responsible way which minimises its impact on the natural environment, so that the environmental benefits of the lithium produced are maximised. We are also committed to creating socio-economic benefits that can be shared at both a local and a national level.

"We now look forward to receiving APA's DIA decision by 31 May 2023."

As previously announced Savannah has been meeting with local stakeholder groups to discuss its revised plans for the Project and will continue to provide information on the Project to all interested parties. Further information on the Project's revised design and steps Savannah is taking to minimise its impact can be found in the 'Our Community' section of the Savannah website at:

<https://www.savannahresources.com/esg-community/our-community/> (English version),

or <https://www.savannahresources.com/pt/esg-comunidade/comunidade/> (Portuguese version), but examples of some of design features incorporated in the Project to further minimise its environmental impact include:

- **Water:** The Project will source all its own water onsite. Water will be predominantly collected in the mining areas as well as from other surface sources. Water will not need to be taken from the Covas River. The Project will have a 'closed' water system, meaning process water will be stored, treated and recycled onsite and not be discharged from the Project
- **Noise & vibrations:** Savannah is committed to operating well below legal limits for noise and ground vibrations
- **Dust:** Air quality will be constantly monitored, and dust will be suppressed by water treatment of unpaved roads and areas where trucks are unloading at the processing plant
- **Traffic:** A new road layout avoids all Project-related traffic passing through local villages and towns and will significantly improve public access to the region benefiting economic growth and freedom of movement
- **Energy:** Savannah has committed to making the Project carbon net-zero over its lifetime, which will include sourcing 100% renewable energy
- **Flora and fauna:**
  - The water management plan and level of water consumption means the impact on rivers and the aquatic ecosystem is minimised;
  - Independent studies show that Iberian wolf packs are not living on the Project area, and mitigation measures have been put in place to protect wildlife;
  - In the revegetation phase the Company will use native species and other suitable plants with good pollination characteristics
- **Transparent environmental reporting:** Multiple environmental indicators including water quality on and off site, air quality, noise and ground vibrations, will be monitored and the data publicly reported through the Company's website, at its local Information Centres, and via a planned smartphone app
- **Landscape:** Rehabilitation of the Project is guaranteed. The impacted areas including all mining areas, tailings and permanent waste rock storage facilities, and infrastructure such as the processing plant and water storage facilities will be comprehensively rehabilitated, landscaped and revegetated with native species. Impacted water courses will be reinstated, as far as practically possible, to their original locations. The land will be returned to the community at the end of the Project

Potential economic benefits of the Barroso Lithium Project include:

- **Employment:** 215 long term direct jobs; and more than 2,000\* indirect and induced jobs in the operating phase
- **Communities:** creation of a Foundation with a budget of 500 thousand euros / year available for support of community projects and initiatives
- **National production\*:** increase of the gross value of national production by 420 million euros during the investment phase (construction) and by 210 million euros per year during the operating phase
- **GDP\*:** contribution to GDP of 173 million euros during the investment phase and 95 million euros per year during the operating phase

\*Data from the Updated Economic & Social Impact study of the Barroso Lithium Project carried out by Professors Carballo-Cruz and João Cerejeira from NIPE - Research Center in Economic and Business Policies of the School of Economics and Management of the University of Minho.

#### **Background information:**

Before providing its final Environmental Impact Statement ('DIA') on the Project, APA proposed in July 2022 that the EIA evaluation process for the Barroso Lithium Project should continue under Article 16 of Decree-Law No. 151-B/2013, amended and republished by the Decree-law 152-B/2017 of 11 December ('Article 16'), which regulates Environmental Impact Assessments in Portugal. Under Article 16, Savannah has up to 180 business days to redesign or revise certain physical aspects of the Project's design and associated environment, ecology and socio-economic considerations and resubmit them to APA for consideration.

Savannah announced on 6 July 2022 that it had agreed to the EIA review process entering this additional phase. On 16 March 2023, the Company announced that it had made its resubmission to APA ahead of the required deadline.

Following resubmission, APA has a maximum of 50 business days to review the resubmission and provide its DIA.

Receipt of a positive DIA from APA, is regarded as the key element in the Project's overall approval, but there are two subsequent phases in the environmental licencing process.

A positive DIA defines a set of guidelines which must be followed during the Project's development, operation, and closure. During the subsequent Environmental Compliance Report of the Execution Project ('RECAPE') phase of the environmental licencing process, the Project proposer works with the regulator to ensure that these guidelines are followed in the final design of the Project as it is

created. If the final design is approved by the regulator, the Project receives a positive Decision on the Environmental Compliance of the Execution Project ('DCAPE').

Running in parallel with the RECAPE process is the licencing award process. Once the DCAPE declaration has been made the Project can be awarded its final Environmental Licence, 'Título Único Ambiental'.

Savannah - **Enabling Europe's energy transition.**

**\*\*ENDS\*\***



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**About Savannah**

Savannah is the owner of the Barroso Lithium Project, located close to key infrastructure in Northern Portugal which contains the most significant spodumene lithium resource in Western Europe. Following a positive Scoping Study which outlined a conventional operation producing 175,000t of spodumene concentrate per annum, Savannah is progressing the development and environmental licencing of the Barroso Lithium Project.

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".