

PROJECT LICENCING & DEVELOPMENT TIMETABLE

Key Facts on the Project's Licencing and Development Timetable

This factsheet provides details on the official licensing process that Savannah must complete in order to proceed with the development of the Barroso Lithium Project.

1. Which licences does Savannah need to develop the Barroso Lithium Project?

To proceed with the development of the Barroso Lithium Project the area involved must be designated as a Mining Lease, and the Project must be granted an environmental licence by the Agência Portuguesa do Ambiente (APA). The construction and operation phases will require additional licences and permits, including for water and power utilities, as well as the use of explosives. These permits will be applied for after the Project receives its environmental licence.

Savannah's Barroso Lithium Project is being developed in an area for which the Portuguese State granted a mining lease in 2006 for mineral exploitation for an initial period of 30 years until 2036. The Lease can be extended by 20 years after that if there is still lithium and other minerals remaining in the ground to be worked, and it is safe and economic to do so.

2. What are the key steps to obtain the environmental licence?

There are three important stages in the environmental licencing process for the Project.

DECLARATION OF ENVIRONMENTAL IMPACT (DIA)

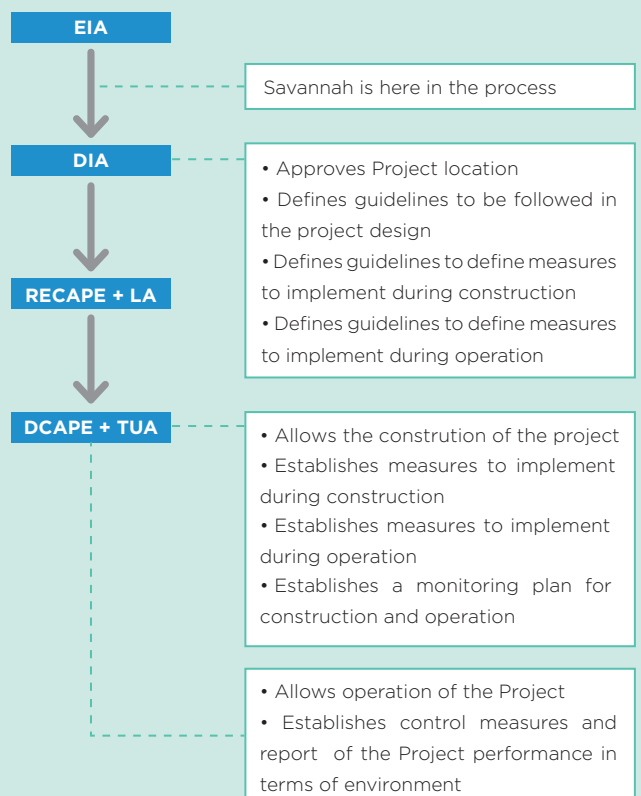
The Project proposer (Savannah) submits an Environmental Impact Assessment (EIA) and a Mine Plan to the APA for consideration. The EIA study identifies and assesses all the potential environmental and social impacts the Project may have and details how Savannah will monitor and minimise these throughout all phases of the Project's life, including after its closure. This phase includes a public consultation period. If APA makes a positive DIA, the Project can move to the next 2 stages of the licencing process, which run at the same time. If not, the proposer would need to resubmit a wholly new EIA for consideration.

DECLARATION ON THE ENVIRONMENTAL COMPLIANCE OF THE EXECUTION PROJECT (DCAPE)

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

FINAL ENVIRONMENTAL LICENCE (TUA)

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 (TUA).



3. Where is Savannah in the Environmental Licencing process?

Following feedback from APA on its initial EIA submitted in 2020, Savannah will submit a revised EIA and Mine Plan to APA in March 2023. A DIA decision is expected from APA in May 2023. Savannah expects a public consultation period to take place before the decision is made, which will last up to 10 days. APA manages the public consultation process.

As part of its EIA submission, Savannah has also presented a Community Profile & Social Issues Scoping study report prepared by Community Insights Group (an international company specialised in social studies) following consultation with community members, and a socio-economic Impact report written by Professors from the School of Economics and Management at the University of Minho.

4. How long will the DCAPE and TUA phases take?

These phases run at the same time. If a positive DIA decision is received and the Project can move forward, Savannah estimate it will take approximately 9-12 months to complete the RECAPE phase and for the Project to receive a positive DCAPE decision and its Environmental Licence. So the Project could receive its Environmental Licence in 2024.

5. What about other licences and permission required?

Once the DCAPE declaration has been made and environmental licence received, Savannah will then be able to apply for the remainder of the licences required for the Project's development and operation. These licences cover permissions for construction and use of services on site such as power and water.

6. Will Savannah be undertaking additional studies & fieldwork?

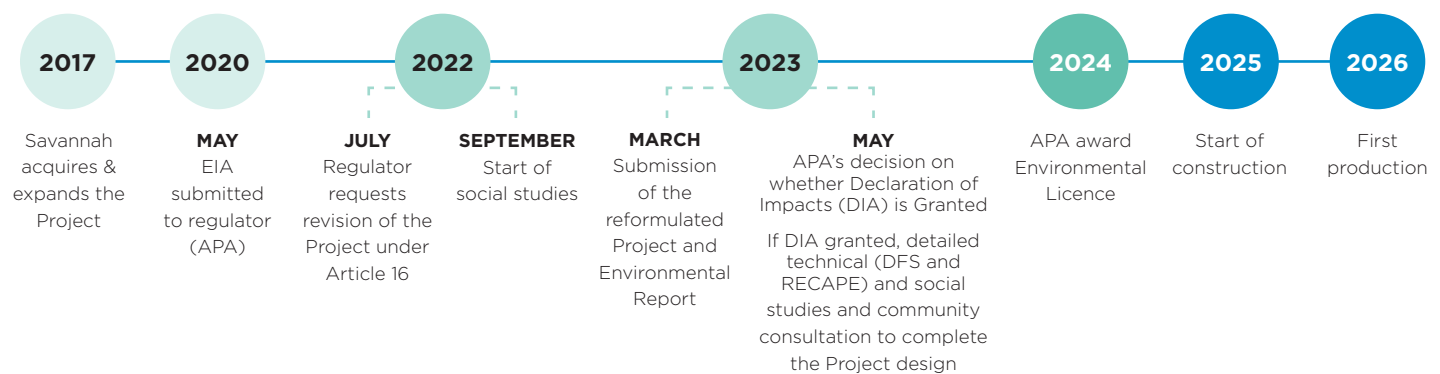
In addition to receiving the necessary licences to develop the Project, Savannah must also confirm that the business case for its development is sound. This is achieved by completing a Definitive Feasibility Study (DFS) on the Project, which will provide an up-to-date estimate of the amount of lithium in the ground at the Project and an accurate estimate of all the costs involved in the Project's development and operation based on the final design agreed with APA.

To complete the DFS a small programme of fieldwork is required, including some drilling (but far less drilling than Savannah completed between 2018-19). If a positive DIA decision is received, Savannah will look to undertake this fieldwork later in 2023, which is expected to last approximately 4 months.

Our stakeholder engagement programme would also be maintained and expanded as we work to optimise the Benefit Sharing and Good Neighbour Plans through negotiation with stakeholders (Please see Fact Sheet #7 for more details on these plans)

7. What is the Project timetable?

Based on a positive DIA decision being received in May 2023, Savannah's current timetable sees the Environmental Licence being received and the DFS being completed in 2024. Based on the findings of the DFS, Savannah would make a Final Investment Decision on the Project. If that is positive, the Company would secure the finance required to construct the Project, and begin construction in 2025. Construction would then be completed in 2026, and the Project could start the responsible production of its spodumene lithium concentrate in the same year.



If you would like more information or have any questions or comments, please visit or contact the Barroso Lithium Project Information Centres

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