26 September 2022

Interim Results for Six Months Ended 30 June 2022

Savannah Resources, the European lithium development company, is pleased to announce its interim results for the six months ended 30 June 2022.

First half and recent highlights include:

Corporate:

- Cash balance of £9.4m at 30 June (31 December 2021: £13.0m); Savannah recorded a first half net loss from continuing operations of £1.3m (30 June 2021: £1.9m)
- Dale Ferguson appointed as Interim Chief Executive Officer in July after David Archer stepped down; The search for a permanent CEO replacement has been initiated
- Mary Jo Jacobi appointed as an Independent Non-Executive Director & Manohar Shenoy appointed as a Non-Executive Director; Expecting to appoint an experienced Portuguese candidate as a Non-Executive Director to the Board

Barroso Lithium Project (the 'Project'):

Technical:

- Agreed with the Portuguese environmental regulator ('APA') to progress its review of the Environmental Impact Assessment ('EIA') on the Project via the time-controlled and more interactive 'Article 16' process
- A number of constructive meetings have already been held with APA; Savannah and its consultants are revising elements of the Project's design for resubmission of the EIA
- EIA resubmission deadline set at 17 March 2023; Savannah expects to make its resubmission during Q1 2023, APA will then have up to 50 business days to issue its Declaration of Environmental Impact ('DIA') decision
- Design of process flowsheet finalised, based on standard plant and environmentally friendly reagent regime
- Decarbonisation Study initiated, with initial results expected shortly

- Definitive Feasibility Study ('DFS') to be completed once the Project's final design has been agreed through the 2nd phase of the environmental licencing process ('RECAPE') and necessary fieldwork undertaken. DFS expected to take around 12 months from restart of fieldwork

Stakeholder Engagement:

- Relationships with a number of key stakeholders refreshed after initiation of the Article 16 process and team changes within Savannah
- Opened an additional information centre in the local area, recruited new staff from the local population, continued to give preference to local suppliers of goods and services, and provided support to local groups and events
- Commissioned social performance consultancy, Community Insights Group (CIG), to support with stakeholder engagement planning. Results from the first phase of CIG's work expected in Q4 2022

Commercial:

- EV & lithium market backdrop remains encouraging. H1 2022 global EV sales of 4.3m (+63% vs. 1H 2021), annual sales expected to be over 10m (6.75m 2021). Growth in demand for EVs has maintained pressure on lithium supplies; lithium prices up over 100% in H1 2022
- War in Ukraine has also placed great emphasis on Europe's need to rapidly increase its autonomy and strategic independence in renewable energy provision and critical mineral production
- Levels of interest in offtake from the Project have increased as lithium market continues to tighten; Savannah remains in discussions with several groups
- Despite Article 16 extension to the Project's timetable, its development remains well aligned with the construction schedules of the two proposed refineries in Portugal and other European plants

Outlook/Next steps:

- Cash balance (£9.4m) should be sufficient to see the Company through the Article 16 process and into the DFS/RECAPE completion phase of the Project's development
- Future newsflow to provide updates on:
    - The Article 16 process, resubmission of revised EIA and APA's DIA decision
    - Decarbonisation study and strategy
    - Staff appointments
    - Community engagement activities
    - Commercial discussions

CHAIRMAN'S STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

The first half of 2022 was another busy period for Savannah and there have been some further significant developments within the Company since I gave my AGM statement in June. Of most note has been the agreement with the Portuguese environmental regulator, Agência Portuguesa do Ambiente ('APA') to progress their review of our Environmental Impact Assessment ('EIA') on the Barroso Lithium Project (the 'Project') via the so-called 'Article 16' process. An update on this process is provided below but as we stated in our 6 July announcement, after the extended previous phases of the review process, which included very limited opportunity to interact with the regulator, this phase is strictly time-controlled and we welcome the opportunity it brings to engage regularly in-person with APA. We hope it will result in a final design which is to APA's satisfaction so we can move forward with the Project.

In another significant change, David Archer stood down as Savannah's Chief Executive with immediate effect in early July after almost nine years in the role. We thank David again for his long period of leadership and his ongoing support as a shareholder. Pleasingly, Dale Ferguson, our Technical Director and the Board representative of Savannah's second largest shareholder, Slipstream Resources, agreed to step up to the CEO role on an interim basis. Dale is ideally placed to lead the Company over the important coming months as we look to complete our re-submission to APA under the Article 16 process and increase our engagement with all key stakeholders in the Project. The search for a permanent replacement for David Archer as CEO is well-underway and we expect to make an appointment in due course. We also have a search underway to identify an experienced Portuguese candidate to join the Board as a Non-Executive Director.

During the period, we also welcomed Mary-Jo Jacobi to the Board as an Independent Non-Executive Director and Manohar Shenoy as Non-Executive Director. Their appointments coincided with the retirement from the Board of Maqbool Sultan (Non-Executive director) and Murtadha Sultan, who served as an alternate director for Imad Sultan, and I take this opportunity again to thank both Maqbool and Murtadha for their valuable contributions to Savannah over the last six years.

We have also recruited new members of staff in Portugal to expand our technical and communications teams. Growing the in-country team further will be critical to Savannah in the years ahead and our efforts to bolster the team will continue.

Immediately following his appointment, Dale and I travelled to Portugal to meet with a number of key stakeholders in person and to provide support and guidance to our in-country team as we head into this critical period for the Company. Savannah has an excellent and experienced team, and we are focused on empowering them to lead in the critical relationships we must maintain and grow to achieve our goals of becoming a lithium raw material producer in Portugal, benefiting the communities we work alongside, and generating shareholder value.

We remain in regular contact with a number of potential offtakers and are keeping them informed of the impact of the Article 16 process on the Project's timeline. We are also progressing our decarbonisation study so that we can decide how to achieve our objective of minimising the carbon footprint of the Project.

Meanwhile, the situation in the lithium market remains highly encouraging for new raw material producers like Savannah. Website EV-Volumes.com reported that H1 2022 global sales reached 4.3 million units, or 63% higher than H1 2021 with sales in Europe up 9% vs. H1 2021 despite the significant current pressure on the economy. Global sales included over 956,000 units being sold in June 2022 which was a new all-time monthly high (+55% vs. June 2021). The global market share for plug-ins in H1 2022 reached 11.2% of all new cars sold vs. 6.3% in H1 2021. As of July EV-volumes.com is forecasting global annual sales of 10.6 million units vs. 2021 sales of 6.75 million (+57%). This EV market trend has maintained pressure on the current lithium-ion battery value chain and resulted in the spot prices for the three major lithium raw materials, spodumene concentrate, lithium carbonate and lithium hydroxide rising by over 100% during the first six months of the year. For reference, the spodumene spot price rose from US$2,800/t (FOB Australia) at the end of December 2021 to US$6,450/t at the end of June and, following a brief dip in mid- July to US$6,000/t, is currently at US$6,550/t (source: S&P Global Market Insight).

At the same time, the war in Ukraine, now tragically over six months in duration, is also placing great emphasis on the need to accelerate the energy transition away from fossil fuels. This is particularly true for Europe which must expedite and expand its plans for more renewable power provision to both deal with the immediate energy crisis and deliver on its long-term net zero climate goal. This means not only rapidly creating far greater renewable energy capacity but also providing the associated storage mechanisms, including batteries. In turn this requires the responsible mass production of the raw materials required, such as lithium. Furthermore, Europe can no longer rely on energy and raw material production from external, often high-risk countries, such as Russia. The European Commission is determined to develop the region's autonomy and strategic independence when it comes to renewable energy provision and in the critical minerals and materials that can make the transition possible. Hence, Savannah, and all its lithium and battery metal production peer group, will have a vitally important role to play in the future of European society.

However, as everyone in Savannah appreciates, while the lithium from our Project and others like it has an important role to play for society at large, its extraction does have an impact on the immediate area concerned. Achieving social acceptance is one of the greatest challenges faced by the mining industry around the world. The onus is on all of us to find the best balance we can so that the maximum beneficial outcomes can be achieved with the smallest impact. We willingly acknowledge that there will always be a range of views concerning these impacts and we welcome constructive dialogue on them with our stakeholders.

Overall we see the Article 16 process and our renewed conversations with stakeholders as an opportunity to optimise the Project's design and our proposed community programmes. The team and our experienced consultants are now working hard to complete the required tasks, which we believe we can do in the time available. Furthermore, our robust cash position, £9.4m as at 30 June, gives us sufficient capital to complete this phase and, if the approval is given by APA, move into the next phase with confidence.

Barroso Lithium Project, Portugal

Environmental Licencing process

In July 2022 Savannah agreed to APA's proposal that the EIA evaluation process, the major step in obtaining the Environmental licence required for the 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. After the extended period of time taken during previous phases of the EIA review process (the EIA was initially submitted in June 2020), we were encouraged by this option under the relevant legislation as it has both a fixed time period, including a maximum 50 business day review period for a final 'Declaration of Environmental Impact' ('DIA') decision by APA, and provides the proponent with greater opportunity to engage directly with APA than in previous phases. To this end, we have already held a number of useful and productive meetings with APA, and, in collaboration with our expert consultants, we are developing revised plans for aspects of the Project which APA have identified as requiring further consideration. These include certain physical aspects such as infrastructure, management of local water resources, landscape impacts and ecological systems, and socio-economic considerations including, the impact of the Project on other local businesses. We are also looking to deepen the links between the Project and the local communities and the municipality.

As we announced on 21 September, it has also been confirmed in our ongoing discussions with APA that the 'six months' period defined in the Article 16 legislation allowed for a proponent to resubmit any relevant parts of its EIA documents, in fact refers to 180 business days and not six calendar months. As a result, Savannah will have up to 17 March 2023 to submit its revised plans to the regulator, with APA's 50 business day review to follow thereafter. Based on our ongoing discussions with APA and our consultants to date, we expect to make our submission in Q1 2023.

While I understand the extension caused to the overall Project timetable by the Article 16 phase will be a frustration to many shareholders, it is imperative that we revise elements of the Project's design to give ourselves the best chance of receiving a positive decision from APA. This period should also give us an opportunity to consult with other stakeholders about the revised Project design, how we will minimise its impact on the local environment and society, and the associated socio-economic benefits the Project can bring.

Stakeholder Engagement

In our continuing efforts to secure social acceptance for the Project, senior management and the team in Portugal have engaged extensively with all key stakeholders in the year to date. Most significantly, the move into the Article 16 phase on the EIA and team changes within Savannah have given us an opportunity to start a new chapter in our conversations with a number of key stakeholders. Hence, we are in the process of establishing and building new relationships, as well as strengthening those which have been formed over the years Savannah have been present in Portugal. We hope our efforts will form the basis for meaningful progress and future mutual benefit.

During the year to date we also have made significant efforts to maintain our interaction with the local communities. These efforts have included increasing the number of information centres in the area, recruiting new staff from the local population to man our centres and to represent Savannah in the community, continuing to give preference to local suppliers of goods and services, and providing support to local groups and events.

As part of our work in creating a Project specific Environmental and Social Management System, we have commissioned the highly experienced social performance consultancy, Community Insights Group (CIG), to support the Project in its stakeholder engagement planning. CIG has extensive experience in mining and energy projects around the world, including in Portugal. CIG's staff have already visited the Project and have been gathering background information from Savannah's staff and other sources. During the remainder of the year they will be undertaking an extensive survey amongst the local community to build a detailed profile of local attitudes towards the Project and to better understand the relationship that members of the local community expect to have with the Project, and what actions they would like Savannah to undertake. Results from the first phase of CIG's work are expected in the final quarter of the year.

Commercial Discussions

Project 'stakeholders' also include our future commercial partners. As we have highlighted previously, the level of interest in offtake from the Project has increased in line with the rising price of lithium. This reflects the growing appreciation shown by lithium consumers and new market entrants alike that the current tight supply conditions in the lithium sector are likely to continue over the long term and that, more generally, insufficient raw material supply poses a significant threat to their own business plans. The growing level of commercial interest in the Project also reflects the increasing number of merchant lithium refineries now being planned in Europe, and the arrival of the major metal trading houses in the battery metal markets. Our preference remains to do business with groups committed to developing the lithium value chain in Portugal and Europe.

Against this background, we remain in discussions with several groups, and have kept these parties informed about the move into the Article 16 phase on the EIA, and the impact on the Project's timeline. As we highlighted in July, with our new expectation of first production in 2026 we remain well aligned with the development schedules of the two proposed refineries in Portugal and other chemical plants elsewhere in Europe. In terms of formally finalising offtake agreements, Savannah and our potential counterparties are unlikely to take this step until we have clarity on the Project's licencing status next year. However, we will be continuing discussions in preparation for that time, focused on deal structures which will help to de-risk the Project's future construction and financing.

Decarbonisation study

During the period we also initiated and advanced a decarbonisation study, following the commitment the Company made in November 2021 to move towards net zero Scope 1 and 2 emissions once the Project is in operation, and also to reduce the Scope 3 emissions as much as possible. ECOPROGRESSO, part of the Quadrante Group, have been leading this study and working in collaboration with the global technology leader, ABB. We expect to receive the study's initial findings shortly, which can then be further investigated in the next phase. We also expect to attract more partners to work on this critical element of the overall Project, which underlies Savannah's commitment to minimising the carbon footprint associated with Europe's domestic lithium value battery chain, such as vehicle OEMs.

Definitive Feasibility Study

As we have highlighted previously, it will only be possible to complete the Definitive Feasibility Study ('DFS') once both the Project's final design has been agreed through the environmental licencing process, and necessary fieldwork has been undertaken. Hence, we will progress the DFS in parallel with the second and final ('Relatório de Conformidade Ambiental do Projeto de Execução, 'RECAPE') design phase of the environmental licencing process once a positive DIA is received. We expect the DFS to take around 12 months to complete from the point when fieldwork is restarted.

Importantly, during 2022 we have been successful in significantly advancing a key input into the DFS, namely the metallurgical process that will be used to produce the spodumene lithium concentrate and quartz-feldspar products at the Project. As we announced in February, we have been able to design a circuit which will produce a high quality spodumene concentrate through the use of industry standard equipment and processes and an environmentally friendly reagent regime. The initial lab scale tests returned spodumene recovery rates in the high 70% range, while the more advanced locked cycle tests completed in June showed recoveries as high as 81% with the potential for lower reagent consumption rates than first expected. Further opportunities have also been identified to potentially increase recovery still further, and these will be investigated along with completion of pilot plant test work, once fieldwork is underway again and sufficient ore samples are available from the planned infill drill programme.

In the meantime, we have been regularly reviewing our estimates of future capital and operating costs on the Project based on updated inputs from potential suppliers, consultants and other market sources. These exercises do imply a level of cost inflation in line with that being reported by other development companies in the mining sector.

Legal Proceedings

As shareholders will be aware, two sets of proceedings have been initiated in the Portuguese courts during 2022 in relation to the Project. The first, which was filed in February (RNS 4 February 2022) was brought by the Parish of Covas do Barroso as plaintiff in the Mirandela Fiscal and Administrative Court in Portugal against the Republic of Portugal and the Ministry of Economy as defendants. In this case, which the Company's legal counsel advise is without foundation, Savannah's wholly owned subsidiary, Savannah Lithium Unipessoal Lda, has been joined as the counter-interested party (not a defendant). The litigation seeks to nullify certain administrative actions taken by the defendants in June 2016 including the addition of lithium to and the expansion in the area of the C-100 Mining Lease. To date the Ministry of Economy has presented its contestation to the lawsuit, to which the Parish of Covas do Barroso has replied. The next step, therefore, is for the Court to decide whether or not there is a case to answer. If it decides that the claim is baseless, the case will not proceed. If it does decide there is a case to answer, a date for a hearing will be set. Savannah's counsel advises that a decision on whether a hearing is required can be expected early in 2023.

The second case (RNS 25 July 2022) is a civil claim lodged at the Vila Real District court by the Management Commission of the Covas do Barroso Baldios (the 'Baldios Commission') against certain private landowners in respect of some land packages at the Project which they sold to Savannah. The Baldios Commission claims that the landowners have registered some of their properties in excess and occupying property that is actually Baldios land (community owned and managed land). As Savannah has acquired some of those properties, the Baldios Commission has included Savannah in this claim. For reference, out of a total area of 593 hectares within the Project's concession, the areas that are being disputed by the Baldios Commission occupy approximately 8 hectares, or circa 1.4% of the total area of the Project. To the best of Savannah's knowledge, the purchased properties correspond with the declarations made by the private landowners to the official registration of cadastral information office and Savannah has purchased exactly what is registered with the Land Registry Office. The court is in the process of notifying all defendants of this claim, including Savannah, and requesting submission of responses. Savannah expects to be asked to submit its defence, which is being prepared, by the end of October. We have been advised that this case could take over one year to conclude.

Savannah will make further announcements regarding the litigation as appropriate, but the Company is keen to reiterate that the C-100 Mining Lease is fully granted, has a term of 30 years to 2036 and remains in good standing. Neither set of legal proceedings is impacting on activities at the Project or the current Article 16 phase of the environmental impact assessment process.

Mozambique

Following the cancellation of its unincorporated joint venture with Rio Tinto on the Mutamba mineral sands project last year (announced 1 December 2021), Savannah remains in the process of divesting its only residual Mozambiquan assets (Matilda Minerals Lda and Mining Concession 9735C). Discussions are ongoing and we remain confident that a suitable deal structure can be agreed with an acquirer to fully complete Savannah's exit from the Mozambique mineral sands sector.

Financials

During the period Savannah has importantly maintained a robust cash position of £9.4m (31 December 2021: £13.0m) following the oversubscribed placing in April 2021, which raised gross proceeds of £10.3m, and the US$9.5m received from Rio Tinto on termination of the unincorporated Joint Venture on the Mutamba project last December. In terms of the broader financial performance Savannah recorded a first half net loss from continuing operations of £1.3m (30 June 2021: £1.9m) with a £0.6m exchange rate gain (30 June 2021: - £0.1m) offsetting a 10% increase in administrative expenses (primarily professional fees supporting the Project's development).

Outlook

In the months ahead Savannah's top priorities are to revise the Barroso Lithium Project's EIA to align with APA's requests under the Article 16 protocol so that a positive DIA decision is received and to build strong and meaningful relationships with key stakeholders so social acceptance of the Project is achieved.

Assuming a positive outcome means we must also continue to prepare for the future by deepening our ties with the local areas, advancing commercial discussions and our decarbonisation strategy, building our in-country team and brand, and marketing Savannah to investors as a means for them of securing responsibly managed exposure to lithium prices and Europe's lithium-ion battery value chain. We must also be ready to take the chance to grow the Company's asset portfolio when relevant opportunities are identified.

By continuing to maintain a close control of costs going forward, Savannah's cash reserve (£9.4m) should be sufficiently comfortable to see the Company through the Article 16 process and into the DFS/RECAPE phase of the Project's development. Securing subsequent finance at that point, whether it be from an offtake partner, strategic investor, capital markets, or alternative sources, when the Project is significantly de-risked from a licencing perspective should be readily achievable.

We look forward to providing shareholders with updates regarding the Article 16 process as appropriate in the coming weeks. Additionally, we plan to provide the market with updates on the decarbonisation strategy, commercial discussions, staff appointments, and community engagement activities.

I take this opportunity to thank our staff for their persistent efforts to drive forward the Barroso Lithium Project, and our shareholders for their continuing support while we do this.

Matthew King
Chairman

Date: 23 September 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Notes	**Unaudited Six months to 30 June 2022 £**	Unaudited Six months to 30 June 2021* £	Audited Year ended 31 December 2021 £
CONTINUING OPERATIONS				
Revenue		**-**	-	-
Other Income		**-**	-	-
Administrative Expenses		**(1,932,032)**	(1,750,161)	(3,305,649)
Foreign exchange gain/(loss)		**628,980**	(120,501)	(213,088)
OPERATING LOSS		**(1,303,052)**	(1,870,662)	(3,518,737)
Finance Income		**341**	355	671
Finance Costs		**-**	(114)	(139)
LOSS FROM CONTINUING OPERATIONS BEFORE AND AFTER TAX		**(1,302,711)**	(1,870,421)	(3,518,205)
(LOSS)/GAIN ON DISCONTINUED OPERATIONS BEFORE AND AFTER TAX		**(50,838)**	436,341	2,371
LOSS BEFORE AND AFTER TAX ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT		**(1,353,549)**	(1,434,080)	(3,515,834)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to Profit or Loss:				
Net change in Fair Value through Other Comprehensive Income of Equity Investments		**(13,844)**	100,060	82,006
Items that will or may be reclassified to Profit or Loss:				
Exchange Gains arising on translation of foreign operations		**397,464**	131,362	154,815
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		**383,620**	231,422	236,821
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT		**(969,929)**	(1,202,658)	(3,279,013)
Loss/(Gain) per share attributable to Equity Owners of the parent expressed in pence per share:				
Basic and Diluted				
From Operations	3	**(0.08)**	(0.09)	(0.22)
From Continued Operations	3	**(0.08)**	(0.12)	(0.22)
From Discontinued Operations	3	**(0.00)**	0.03	0.00

* The disclosures as at 30 June 2021 have been re-presented so that the operations that are discontinued at 30 June 2022 are classified as discontinued.

The notes form part of this Interim Financial Report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Notes	**Unaudited 30 June 2022 £**	Unaudited 30 June 2021 £	Audited 31 December 2021 £
ASSETS				
NON-CURRENT ASSETS				
Intangible Assets	4	**15,235,815**	17,836,604	14,137,817
Right-of-Use Assets		**18,052**	12,256	5,390
Property, Plant and Equipment	5	**1,366,935**	1,064,198	676,536
Other Non-Current Assets	7	**74,863**	70,803	69,542
Bank Deposits	7	**-**	687,467	-
TOTAL NON-CURRENT ASSETS		**16,695,665**	19,671,328	14,889,285
CURRENT ASSETS				
Equity instruments at FVTOCI		**17,731**	66,002	31,575
Trade and Other Receivables	6	**1,035,356**	423,513	962,058
Other Current Assets	7	**18,211**	16,137	19,300
Cash and Cash Equivalents		**9,433,689**	9,659,326	13,002,084
TOTAL CURRENT ASSETS		**10,504,987**	10,164,978	14,015,017
TOTAL ASSETS		**27,200,652**	29,836,306	28,904,302
EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Share Capital	9	**16,889,598**	16,889,598	16,889,598
Share Premium		**41,693,178**	41,695,948	41,693,178
Merger Reserve		**6,683,000**	6,683,000	6,683,000
Foreign Currency Reserve		**358,738**	(62,179)	(38,726)
Warrant Reserve		**-**	12,157	-
Share Based Payment Reserve		**425,019**	152,335	305,095
FVTOCI Reserve		**(35,281)**	(14,120)	(21,437)
Retained Earnings		**(39,606,088)**	(36,214,631)	(38,284,665)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**26,408,164**	29,142,108	27,226,043
LIABILITIES				
NON-CURRENT LIABILITIES				
Lease Liabilities		**11,051**	-	-
TOTAL NON-CURRENT LIABILITIES		**11,051**		
CURRENT LIABILITIES				
Lease Liabilities		**5,214**	6,477	1,132
Trade and Other Payables	8	**776,223**	687,721	1,677,127
TOTAL CURRENT LIABILITIES		**781,437**	694,198	1,678,259
TOTAL LIABILITIES		**792,488**	694,198	1,678,259
TOTAL EQUITY AND LIABILITIES		**27,200,652**	29,836,306	28,904,302

The Interim Financial Report was approved by the Board of Directors on 23 September 2022 and was signed on its behalf by:

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Dale Ferguson
Chief Executive Officer
Company number: 07307107

The notes form part of this Interim Financial Report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Share Capital £	Share Premium £	Merger Reserve £	Foreign Currency Reserve £	Warrant Reserve £	Share Based Payment Reserve £	FVTOCI Reserve £	Retained Earnings £	Total Equity £
At 1 January 2021	14,309,910	34,474,884	6,683,000	(193,541)	12,157	393,865	276,712	(35,450,713)	20,506,274
Loss for the period	-	-	-	-	-	-	-	(1,434,080)	(1,434,080)
Other Comprehensive Income	-	-	-	131,362	-	-	(290,832)	390,892	231,422
Total Comprehensive Income for the period	-	-	-	131,362	-	-	(290,832)	(1,043,188)	(1,202,658)
Issue of Share Capital (net of expenses)	2,579,688	7,221,064	-	-	-	-	-	-	9,800,752
Lapse of Options	-	-	-	-	-	(279,270)	-	279,270	-
Share Based Payment charges	-	-	-	-	-	37,740	-	-	37,740
At 30 June 2021	16,889,598	41,695,948	6,683,000	(62,179)	12,157	152,335	(14,120)	(36,214,631)	29,142,108
Loss for the period	-	-	-	-	-	-	-	(2,081,754)	(2,081,754)
Other Comprehensive Income	-	-	-	23,453	-	-	372,838	(390,892)	5,399
Total Comprehensive Income for the period	-	-	-	23,453	-	-	372,838	(2,472,646)	(2,076,355)
Issue of Share Capital (net of expenses)	-	(2,770)	-	-	-	-	-	-	(2,770)
Share Based Payment charges	-	-	-	-	-	163,060	-	-	163,060
Lapse of Options	-	-	-	-	-	(10,300)	-	10,300	-
Lapse of Warrants	-	-	-	-	(12,157)	-	-	12,157	-
Disposal of FVTOCI investments	-	-	-	-	-	-	(380,155)	380,155	-
At 31 December 2021	**16,889,598**	**41,693,178**	**6,683,000**	**(38,726)**	**-**	**305,095**	**(21,437)**	**(38,284,665)**	**27,226,043**
Loss for the period	**-**	**-**	**-**	**-**	-	**-**	**-**	**(1,353,549)**	**(1,353,549)**
Other Comprehensive Income	**-**	**-**	**-**	**397,464**	-	**-**	**(13,844)**	**-**	**383,620**
Total Comprehensive Income for the period	**-**	**-**	**-**	**397,464**	-	**-**	**(13,844)**	**(1,353,549)**	**(969,929)**
Issue of Share Capital (net of expenses)	**-**	**-**	**-**	**-**	-		**-**	**-**	**-**
Lapse of Options	**-**	**-**	**-**	**-**	-	**(32,126)**	**-**	**32,126**	**-**
Share Based Payment charges	**-**	**-**	**-**	**-**	-	**152,050**	**-**	**-**	**152,050**
At 30 June 2022	**16,889,598**	**41,693,178**	**6,683,000**	**358,738**	-	**425,019**	**(35,281)**	**(39,606,088)**	**26,408,164**

The notes form part of this Interim Financial Report

CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Notes	Unaudited Six months to June 2022 £	Unaudited Six months to June 2021 £	Audited Year ended December 2021 £
Cash Flows used in Operating Activities				
Loss for the period		**(1,353,549)**	(1,434,080)	(3,515,834)
Depreciation and Amortisation charges	5	**12,137**	19,626	35,369
Impairment of Other Intangible Assets		**-**	5,948	5,948
Share Based Payments Reserve charge		**152,050**	37,740	200,800
Shares issued in lieu of payments to suppliers			-	-
Finance Income		**(12,697)**	(12,711)	(671)
Finance Expense		**3,557**	3,671	139
Exchange (Gains) / Losses		**(628,090)**	120,501	213,088
Loss on sale of discontinued operations		**-**	-	-
Gain on relinquishment of the rights and obligations of discontinued operations		**-**	-	(627,078)
Cash Flow from Operating Activities before changes in Working Capital		**(1,826,592)**	(1,259,305)	(3,688,239)
(Increase) / Decrease in Trade and Other Receivables		**(97,472)**	29,212	(267,267)
(Decrease) / Increase in Trade and Other Payables		**(765,133)**	(464,981)	451,801
Net Cash used in Operating Activities		**(2,689,197)**	(1,695,074)	(3,503,705)
Cash flow used in Investing Activities				
Purchase of Intangible Exploration Assets	4	**(939,423)**	(685,970)	(1,603,208)
Purchase of Right-of-Use assets		**-**	(798)	(798)
Purchase of Tangible Fixed Assets	5	**(665,952)**	(20,027)	(633,090)
Proceeds from sale of Investments		**-**	462,115	654,347
Interest received		**12,697**	12,711	671
Proceeds from relinquishment of the rights and obligations of discontinued operations		**86,675**	-	6,506,852
Net Cash (used)/ received in Investing Activities		**(1,506,003)**	(231,969)	4,924,774
Cash Flow from/(used in) Financing Activities				
Proceeds from issues of Ordinary Shares (net of expenses)		**-**	9,704,501	9,797,982
Proceeds from exercise of share options		**-**	-	-
Principal paid on Lease Liabilities		**(2,275)**	(6,263)	(11,607)
Interest paid		**(3,557)**	(3,671)	(139)
Net Cash (used)/received from Financing Activities		**(5,832)**	9,694,567	9,786,236
Increase / (Decrease) in Cash and Cash Equivalents		**(4,201,032)**	7,767,524	11,207,305
Cash and Cash Equivalents at beginning of period		**13,002,083**	2,000,209	2,000,209
Exchange Gains / (Losses) on Cash and Cash Equivalents		**632,638**	(108,407)	(205,430)
Cash and Cash Equivalents at end of period		**9,433,689**	9,659,326	13,002,084

The notes form part of this Interim Financial Report.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2022

1. **BASIS OF PREPARATION**

The financial information set out in this report is based on the Consolidated Financial Statements of Savannah Resources Plc (the 'Company') and its subsidiary companies (together referred to as the 'Group'). The Interim Financial Report of the Group for the six months ended 30 June 2022, which is unaudited, was approved by the Board on 23 September 2022. The financial information contained in this interim report does not constitute statutory accounts as defined by s434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2021 have been filed with the Registrar of Companies. The Auditors' Report on those accounts was unqualified and did not contain a statement under section 498 (2) or 498 (3) of the Companies Act 2006.

The financial information set out in this report has been prepared in accordance with the accounting policies set out in the Annual Report and Financial Statements of Savannah Resources Plc for the year ended 31 December 2021. New standards and amendments to IFRS effective as of 1 January 2022 have been reviewed by the Group and there has been no material impact on the financial information set out in this report as a result of these standards and amendments.

The Group Interim Financial Report is presented in Pound Sterling.

Going Concern

The Group had cash balance of £9.4m at 30 June 2022. The Directors have reviewed the cash-flow projection for the Group and concluded that it has sufficient finance in place to meet its financial commitments for at least 12 months from the date of approval of the Interim Financial Report.

In forming their view, the Directors have considered the impacts of the conflict in Ukraine, COVID-19 related restrictions and potential future delays on the work schedule. Whilst the potential future impacts are unknown, the Board has considered the effect that additional delays in the work schedule could have on the Group's available cash resources. Considering the impact of the conflict in Ukraine the Directors considered that it is likely to accelerate the EU's move to renewable energy sources and away from carbon fuels, assisting the ongoing transition to EVs and the related need for lithium. Having factored in reasonably plausible scenarios and reasonable mitigating actions (for example, the ability to reduce its uncommitted future expenditure), the Director's consider sufficient cash balance are maintained under each scenario and that the Company will be able to meet its obligations as they fall due.

Accordingly, the Directors have concluded that these circumstances form a reasonable expectation that the Group has adequate resources to continue in operational existence, for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis in preparing the Interim Financial Report.

2. **SEGMENTAL REPORTING**

The Group complies with IFRS 8 Operating Segments, which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, which the Company considers to be the Board of Directors. In the opinion of the Directors, the operations of the Group are comprised of exploration and development in Portugal, headquarter and corporate costs and the Company's third party investments and the discontinued operation in Mozambique.

Based on the Group's current stage of development there are no external revenues associated to the segments detailed below. For exploration and development in Portugal and the discontinued operation in

Mozambique the segments are calculated by the summation of the balances in the legal entities which are readily identifiable to each of the segmental activities. In the case of the Investments, this is calculated by analysis of the specific related investment instruments. Recharges between segments are at cost (including transfer price charge) and included in each segment below. Inter-company loans are eliminated to zero and not included in each segment below.

	Discontinued Operation Mozambique Mineral Sands *	**Portugal Lithium**	**HQ and Corporate**	**Investments**	**Elimination**	**Total**
	£	**£**	**£**	**£**	**£**	**£**
Period 30 June 2022						
Revenue [1]	**-**	**1,065,095**	**471,016**	**-**	**(1,536,111)**	**-**
Finance Costs	**-**	**-**	**-**	**-**	**-**	**-**
Interest Income	**-**	**-**	**341**	**-**	**-**	**341**
Share Based Payments	**-**	**-**	**(152,050)**	**-**	**-**	**(152,050)**
Loss for the period	**(50,838)**	**(932,463)**	**(370,248)**	**-**	**-**	**(1,353,549)**
Total Assets	**752,409**	**17,298,526**	**9,131,986**	**17,731**	**-**	**27,200,652**
Total Non-Current Assets	**1,831**	**16,687,058**	**6,776**	**-**	**-**	**16,695,665**
Additions to Non-Current Assets	**-**	**1,516,978**	**-**	**-**	**-**	**1,516,978**
Total Current Assets	**750,578**	**611,468**	**9,125,210**	**17,731**	**-**	**10,504,987**
Total Liabilities	**(96,113)**	**(315,723)**	**(380,652)**	**-**	**-**	**(792,488)**

* This is including costs related to the Company's Mozambican subsidiary, Matilda Minerals Lda.

	Discontinued Operation Mozambique Mineral Sands	Portugal Lithium	HQ and Corporate	Investments	Elimination	Total
	£	£	£	£	£	£
Period 31 December 2021						
Revenue [1]	-	1,115,071	646,619	-	(1,761,690)	-
Finance Costs	3,557	(25)	-	-	-	3,532
Interest Income	(12,356)	-	316	-	-	(12,040)
Share Based Payments	-	-	(163,060)	-	-	(163,060)
Loss for the period	211,921	(1,053,916)	(1,239,759)	-	-	(2,081,754)
Total Assets	676,357	15,487,686	12,708,684	31,575	-	28,904,302
Total Non-Current Assets	1,483	14,881,026	6,776	-	-	14,889,285
Additions to Non-Current Assets	-	1,422,507	-		-	1,422,507
Total Current Assets	674,874	606,660	12,701,908	31,575	-	14,015,017
Total Liabilities	(130,940)	(299,648)	(1,247,671)	-	-	(1,678,259)

	Discontinued Operation Mozambique Mineral Sands	Portugal Lithium	HQ and Corporate	Investments	Elimination	Total
	£	£	£	£	£	£
Period 30 June 2021						
Revenue [1]	-	539,496	385,655	-	(925,151)	-
Finance Costs	(3,557)	(114)	-	-	-	(3,671)
Interest Income	12,356	-	355	-	-	12,711
Share Based Payments	-	-	(37,740)	-	-	(37,740)
Impairment of Assets	-	-	(5,948)	-	-	(5,948)
Loss for the period	(209,550)	(589,510)	(635,020)	-	-	(1,434,080)
Total Assets	6,097,829	13,790,051	9,882,424	66,002	-	29,836,306
Total Non-Current Assets	5,975,203	13,689,348	6,777	-	-	19,671,328
Additions to Non-Current Assets	255,871	468,602	-	-	-	724,473
Total Current Assets	122,626	100,703	9,875,647	66,002	-	10,164,978
Total Liabilities	(23,671)	(171,796)	(498,731)	-	-	(694,198)

[1] Revenues included in the Portugal Lithium segment include £1,065,096 (31 December 2021: £1,654,567; 30 June 2021: £539,496) related to intercompany recharges within this segment and therefore eliminated in the Elimination column

3. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

In accordance with IAS 33 as the Group is reporting a loss for both this and the preceding period the share options are not considered dilutive because the exercise of share options and warrants would have the effect of reducing the loss per share.

Reconciliations are set out below:

	Unaudited Six months to 30 June 2022	Unaudited Six months to 30 June 2021	Audited Year ended 31 December 2021
Basic and Diluted Loss per Share:			
Losses attributable to Ordinary Shareholders (£):			
Total Loss for the period (£)	**(1,353,549)**	(1,434,080)	(3,515,834)
Total Loss for the period from Continuing Operations (£)	**(1,302,711)**	(1,870,421)	(3,518,205)
Total (Loss)/Gain for the period from Discontinued Operations (£)	**(50,838)**	436,341	2,371
Weighted average number of shares (number)	**1,688,959,820**	1,518,176,396	1,609,019,120
Loss per share – total loss for the period from Operations (£)	**(0,00080)**	(0.00094)	(0.00219)
Loss per share – total loss for the period from Continuing Operations (£)	**(0,00077)**	(0.00123)	(0.00219)
(Loss)/Gain per share – total (Loss)/Gain for the period from Discontinued Operations (£)	**(0,00003)**	0,00029	0.00000

4. INTANGIBLE ASSETS

	Exploration and Evaluation Assets
	£
Cost	
At 1 January 2021	17,246,222
Additions	687,447
Exchange differences	(97,065)
At 30 June 2021	17,836,604
Additions	1,130,123
Disposal assets on relinquishment of rights and obligations	(4,702,323)
Exchange difference	(126,587)
At 31 December 2021	14,137,817
Additions	**840,532**
Exchange differences	**257,466**
At 30 June 2022	**15,235,815**
Depreciation and Impairment	
At 1 January 2021	-
At 30 June 2021	-
At 31 December 2021	-
At 30 June 2022	**-**
Net Book Value	
At 30 June 2021	17,836,604
At 31 December 2021	14,137,817
At 30 June 2022	**15,235,815**

In December 2021 a Deed of Termination was signed with Rio Tinto in relation to the Consortium Agreement signed in October 2016. Under this Deed of Termination, the rights and obligations provided to Savannah Group on Rio Tinto's licences under the Consortium Agreement were relinquished, and agreed that no exploration or development activities should be undertaken by any Savannah Group entity. Therefore, all exploration and evaluation assets related to the Mozambique licences were registered as disposed. All remaining exploration and evaluation assets relate to the Barroso Lithium Project.

5. PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles	Office Equipment	Plant and Machinery	Land	Total
					£
Cost					
At 1 January 2021	58,226	32,414	991,887	56,337	1,138,864
Additions	-	20,027	-	-	20,027
Exchange differences	(2,591)	425	157,227	(2,506)	152,555
At 30 June 2021	55,635	52,866	1,149,114	53,831	1,311,446
Additions	-	2,099	-	610,964	613,063
Disposal assets on relinquishment of rights and obligations	-	(16,784)	(1,182,880)	-	(1,199,664)
Exchange difference	(1,234)	(433)	33,766	(15,615)	16,484
At 31 December 2021	54,401	37,748	-	649,180	741,329
Additions	**-**	**8,068**	**-**	**657,884**	**665,952**
Exchange differences	**1,350**	**1,106**	**-**	**30,477**	**32,933**
At 30 June 2022	**55,751**	**46,922**	**-**	**1,337,541**	**1,440,214**
Depreciation					
At 1 January 2021	35,868	30,279	99,189	-	165,336
Charge for the period	6,127	4,211	57,456	-	67,794
Exchange differences	(492)	(1,113)	15,723	-	14,118
At 30 June 2021	41,503	33,377	172,368	-	247,248
Charge for the period	5,832	3,148	49,680	-	58,660
Disposal assets on relinquishment of rights and obligations	-	(18,645)	(224,012)	-	(242,657)
Exchange difference	(1,002)	580	1,964	-	1,542
At 31 December 2021	46,333	18,460	-	-	64,793
Charge for the period	**5,767**	**971**	**-**	**-**	**6,738**
Exchange differences	**1,276**	**472**	**-**	**-**	**1,748**
At 30 June 2022	**53,376**	**19,903**	**-**	**-**	**73,279**
Net Book Value					
At 30 June 2021	14,132	19,489	976,746	53,831	1,064,198
At 31 December 2021	8,068	19,288	-	649,180	676,536
At 30 June 2022	**2,375**	**27,019**	**-**	**1,337,541**	**1,366,935**

As consequence of the signature of the Deed of Termination with Rio Tinto in relation to the Consortium Agreement signed in October 2016 all property, plant and equipment related to the Mozambique licences were registered as disposed.

The additions in land reflect the land acquisition program that Savannah has in place in Portugal to acquire the land required for the future development of the Barroso Lithium project.

All remaining property, plant and equipment assets relates to the Barroso Lithium Project.

6. TRADE AND OTHER RECEIVABLES

	Unaudited 30 June 2022 £	Unaudited 30 June 2021 £	Audited 31 December 2021 £
Current			
VAT recoverable	**109,117**	63,253	66,867
Other Receivables	**926,239**	360,260	895,191
Total Current Trade and Other Receivables	**1,035,356**	423,513	962,058

7. OTHER CURRENT AND NON-CURRENT ASSETS

	Unaudited 30 June 2022 £	Unaudited 30 June 2021 £	Audited 31 December 2021 £
Non-Current			
Guarantees	**66,257**	62,674	61,284
Cash deposits	**-**	687,467	-
Other	**8,606**	8,129	8,258
Total Other Non-Current Assets	**74,863**	758,270	69,542
Current			
Other	**18,211**	16,137	19,300
Total Other Current Assets	**18,211**	16,137	19,300

8. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2022 £	Unaudited 30 June 2021 £	Audited 31 December 2021 £
Current			
Trade Payables	**276,820**	398,923	866,053
Other Payables	**54,646**	100,315	79,236
Accruals	**435,275**	188,483	731,838
Taxes	**9,482**	-	-
Total Current Trade and Other Payables	**776,223**	687,721	1,677,127

9. SHARE CAPITAL

Allotted, issued and fully paid

	Six months to 30 June 2022 £0.01 ordinary shares number	**£**	Six months to 30 June 2021 £0.01 ordinary shares number	£	Six months to 31 December 2021 £0.01 ordinary shares number	£
At beginning of period	1,688,959,820	16,889,598	1,430,991,035	14,309,910	1,688,959,820	16,889,598
Issued during the period:						
Share placement	**-**	**-**	257,968,785	2,579,688	-	-
At end of period	**1,688,959,820**	**16,889,598**	1,688,959,820	16,889,598	1,688,959,820	16,889,598

The par value of the Company's shares is £0.01.

10. GROUP CONTINGENT LIABILITIES

Details of contingent liabilities where the probability of future payments is not considered remote are set out below, as well as details of contingent liabilities, which although considered remote, the Directors consider should be disclosed. The Directors are of the opinion that provisions are not required in respect of these matters, as at the reporting date it is not probable that a future sacrifice of economic benefits will be required and the amount is not capable of reliable measurement.

Consideration payable in relation to the acquisition of Mining Lease Application for lithium, feldspar and quartz (Portugal lithium project)

In June 2019 the Company exercised its option to acquire a Mining Lease Application for lithium, feldspar and quartz from private Portuguese company, Aldeia & Irmão, S.A.. The total purchase price for the acquisition is EUR €3,250,000 (~ GBP £2,796,000), which will only become due once the Mining Lease Application has been granted and the Mining Rights transferred to an entity within the Group, at which point the agreed payment schedule will consist of an initial EUR €55,000 (~ GBP £47,000) payment with the balance due in 71 equal monthly instalments. Upon delivery of the request for transfer of the Mining Rights to an entity within the Group, the Group shall provide with a bank guarantee of EUR €3,195,000 (~ GBP £2,749,000) that will be reduced in accordance with the 71 monthly instalments. As at 30 June 2022 the mining lease has not been granted.

11. EVENTS AFTER THE REPORTING DATE

Mr David Archer stepped down as the Company's CEO on 5 July 2022. Mr Archer received his accrued salary up to that date, and no further payments shall be made to him. Furthermore, the 20,000,000 share options issued to Mr Archer have lapsed and the accounting entry shall be recorded in the Company's Annual Report and Financial Statements for 2022.

Regulatory Information

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").

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".