

# Savannah Resources



Sponsored Research

United Kingdom | Basic Resources

Analysers

8 April 2025

Company Profile

Corporate Events

## Buy

Recommendation unchanged

**Share price: GBp** **5.15**

closing price as of 07/04/2025

**Target price: GBp** **7.80**

Target Price unchanged

**Upside/Downside Potential** **51.5%**

Reuters/Bloomberg

SAVS.L/SAV.LN

**Market capitalisation (GBpm)** **112**

Current N° of shares (m) 2,173

**Free float** **61%**

Daily avg. no. trad. sh. 12 mth (k) 3,319

Daily avg. trad. vol. 12 mth (k) 23,952.08

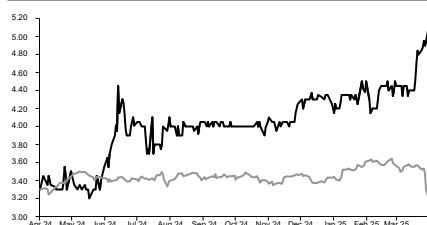
Price high/low 12 months 5.15 / 3.20

Abs Perfs 1/3/12 mths (%) 15.73/22.62/56.06

Key financials (GBP)	12/23	12/24e	12/25e
Sales (m)	0	0	0
EBITDA (m)	(4)	(3)	(3)
EBITDA margin	nm	nm	nm
EBIT (m)	(4)	(3)	(3)
EBIT margin	nm	nm	nm
Net Profit (adj.)(m)	0	0	0
ROCE	-19.3%	-12.4%	-9.6%
Net debt/(cash) (m)	(10)	(13)	(9)
Net Debt/Equity	-0.3	-0.3	-0.2
Debt/EBITDA	2.7	3.6	2.6
Int. cover(EBITDA/Fin. int)	33.0	high	high
EV/Sales	nm	nm	nm
EV/EBITDA	nm	nm	nm
EV/EBITDA (adj.)	nm	nm	nm
EV/EBIT	nm	nm	nm
P/E (adj.)	nm	nm	nm
P/BV	nm	nm	nm
OpFCF yield	-6.3%	-13.8%	-10.3%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	0.00	0.00	0.00
BVPS	0.02	0.02	0.02
DPS	0.00	0.00	0.00

## Shareholders

AMG Lithium 16%; Al Marjan LTD 13%; Slipstream Resources International PTY LTD 7%; Mário Ferreira 4%;



Source: FactSet

— SAVANNAH RESOURCES — FTSE All Share (Rebased)

## Analyst(s)

Carlos Jesus

carlos.jesus@caixabi.pt

+351 21 389 6812

## Work progress update at Barroso

**The facts:** Savannah Resources reported further progress made at the Barroso Lithium Project ("Project") located in Portugal. Work continues to complete the Definitive Feasibility Study (DFS) and licensing phase of the Project.

**Our analysis:** Since mid-January, the Project was classified as a Strategic Project by the European Commission under the Critical Raw Materials Act (as we reported in a previous note), which is of significance as it highlights the sector's importance to the overall energy independence of the EU, but also by allowing the Project to benefit from several layers of support by the Commission, Member States and financial institutions.

Two drilling programmes continue to be implemented, with up to six drill rigs working in parallel across several orebodies. Assays were concluded and received from the first 20 holes, with notable intercepts reported. Other works, such as 3D modelling, metallurgical test work, surface and ground water modelling, processing plant equipment specification and vendor engagement, and road network designs, are also progressing as scheduled.

The company reconfirms the overall JORC (2012) compliant resource announced in May 2024, ahead of the new JORC estimates expected later in the year, of 28 million tonnes at 1.05% Li<sub>2</sub>O (including 18.7 million tonnes at 1.03% Li<sub>2</sub>O in the Measured and Indicated categories).

In terms of the environmental licensing, the mining plan started to be prepared, and progress is being made with continuing RECAPE works and required field studies.

**Conclusion & Action:** This announcement confirms our view on the work progress at the Project as reported in our last note, namely in terms of drilling, but also highlighting the importance of its classification as a Strategic Project.

