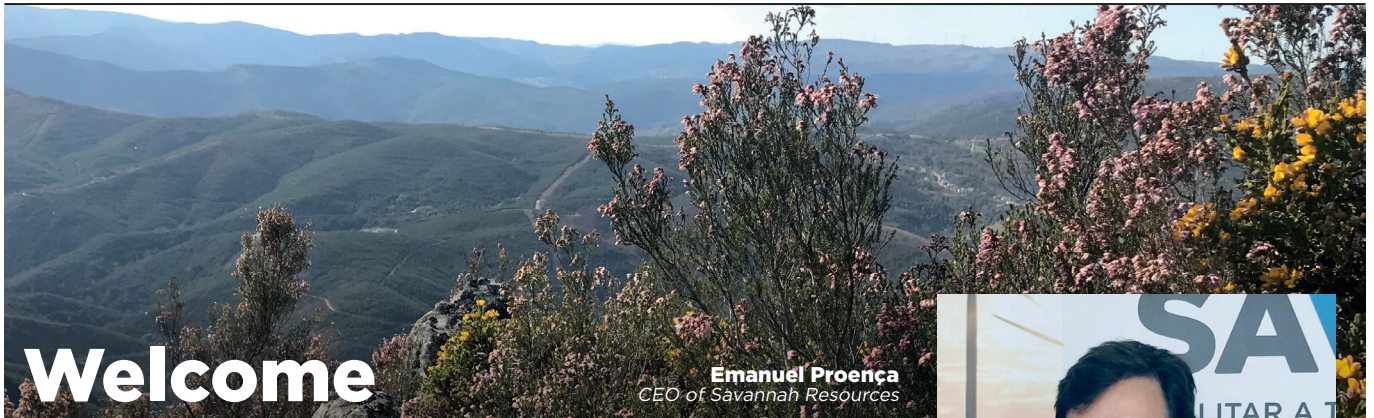


Barroso Lithium

AN UPDATE ABOUT THE KEY TOPICS FOR THE COMMUNITY

AUGUST | 2024



Welcome

Emanuel Proença
CEO of Savannah Resources



We are pleased to welcome you to another edition of our newspaper, focused on providing the Barroso community with up-to-date information from Savannah.

The Barroso Lithium Project (BLP) continues to evolve, and with it, our identification with this region that we share with all of you, as well as our responsibility to work daily to ensure that the benefits brought by the project we have been tasked to develop are known and shared by all.

Rather than lengthy texts, I prefer in this edition to provide you with some numbers and facts that testify to the progress towards what seems to me to be the right direction:

> Our team is growing!

We now have around 20 Portuguese at Savannah, half of whom are originally from, or live in the Boticas municipality. Additionally, several dozen people work with our partner companies. We have started recruiting (gradually) for various positions and have already received over 100 applications from people in the Barroso region.

> **Growth is happening as expected:** We already have with us a “son of the land” who returned after 15 years in France, and we are committed to making him just the first of many. Additionally, two young couples have moved to the region from the Portuguese coast, seeing here the opportunity to build their families.

> **We recently announced the successful completion of another phase of field surveys.** We have a vast amount of data that will now be added to the information from

more than 34,000 metres of drilling already feeding into our resource modelling systems. After laboratory and engineering work, we will proceed with the next phase of field activities, planned for the beginning of summer. Meanwhile, we are making progress on parallel fronts in the field, such as hydrogeological work and environmental monitoring.

> **We have reached the mark of 100 properties purchased by Savannah,** a symbolic event in the ongoing collaboration between the local community and Savannah that deserves to be highlighted. We also have contracts for the acquisition of more than 10 other properties. Achieving this level of amicable acquisitions (without yet resorting to other mechanisms commonly used in road or dam projects) is a source of satisfaction for us and evidence that we strive to work well with all who wish to do so.

> **We have welcomed several groups of people interested in learning more about the Barroso Lithium Project to our office in Boticas.** Always in small groups, they have represented over 250 visitors to the region in the last six months. Additionally, we have held meetings with over 350 people from the region, whether seeking information or clarification of doubts, discussing job opportunities or service provision, or simply engaging in informal conversations. From groups of national and international investors to diplomatic and academic representatives, journalists, or any of you, our contacts are available (and repeated in this newspaper) and our door remains open for whatever you want to discuss, including sharing information about Savannah’s work and plans.

I hope this edition of the newspaper contains relevant information for everyone. If you have any questions, comments, or just curiosity, contact us directly or visit our offices in Boticas or Covas do Barroso.

See you soon!

Land Acquisition for the Barroso Lithium Project:

Ensuring a Fair and Transparent Process

Project size and land allocation

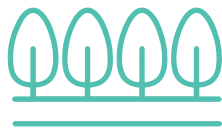
Savannah's project covers a total area of

840 hectares

meticulously allocated to fulfil the various needs of the project. This includes:

534 hectares

of unused land.



306 hectares of impacted area,

of which 71 hectares, worked in 4 phases, will be affected by lithium extraction.



542 hectares

allocated for the primary mining concession.



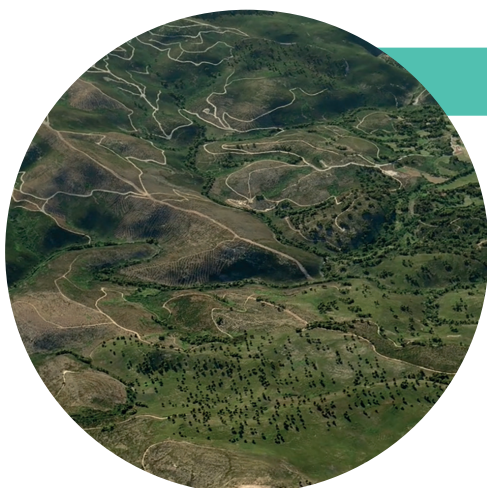
51 hectares

for the extension of the mining concession area.



247 hectares

dedicated to additional infrastructure, including roads, buffer zones, and an area for the installation of inert rock reserve stockpiles for backfilling and subsequent rehabilitation.



Barroso Mine

Concession Area: **542 ha**
Industrial Area: **51 ha**



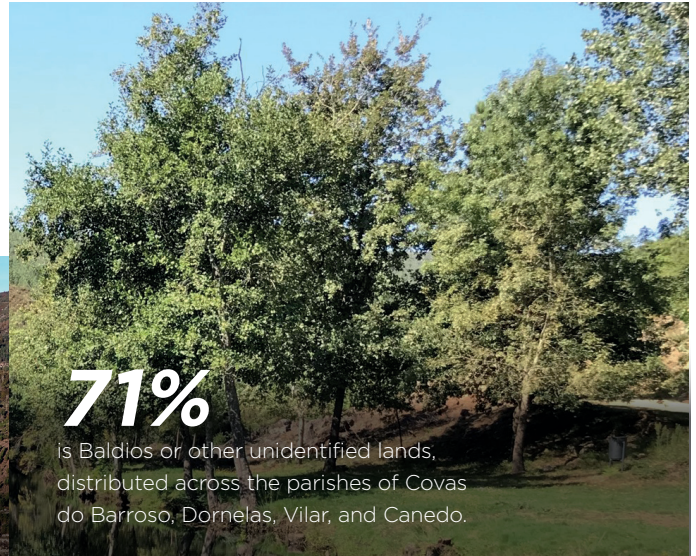
Aljustrel Mine

Concession Area: **1875 ha**
Industrial Area: **387 ha**

Distribution and composition of the land

The land required for our project is categorised into private and common lands (Baldios).

The distribution is as follows!:



Composition²:



More than 96%

of the expanded mining concession (593 ha) is composed of forested areas or shrubland.

Less than 4%

is agricultural and pasture areas.

Number of Residential Buildings in the Concession Area: ZERO



This ensures that our project does not require the relocation of anyone and that the impact on biodiversity and agriculture is minimal. Nevertheless, despite the fact that a large portion of the land within the concession area will remain untouched, we are aware that there will be some impact. We have engineering and environmental monitoring work on all relevant fronts to ensure that this impact is controlled according to best practices.

References

1. Source - Private land registrations on the BUPi platform - Balcão Único do Prédio, May 2024;
2. Source - EVALUATION OF THE REFORMULATED PROJECT UNDER ARTICLE 16 OF RJAIA VOLUME I - Summary Report - Quadrante.

Acquisition and agreements

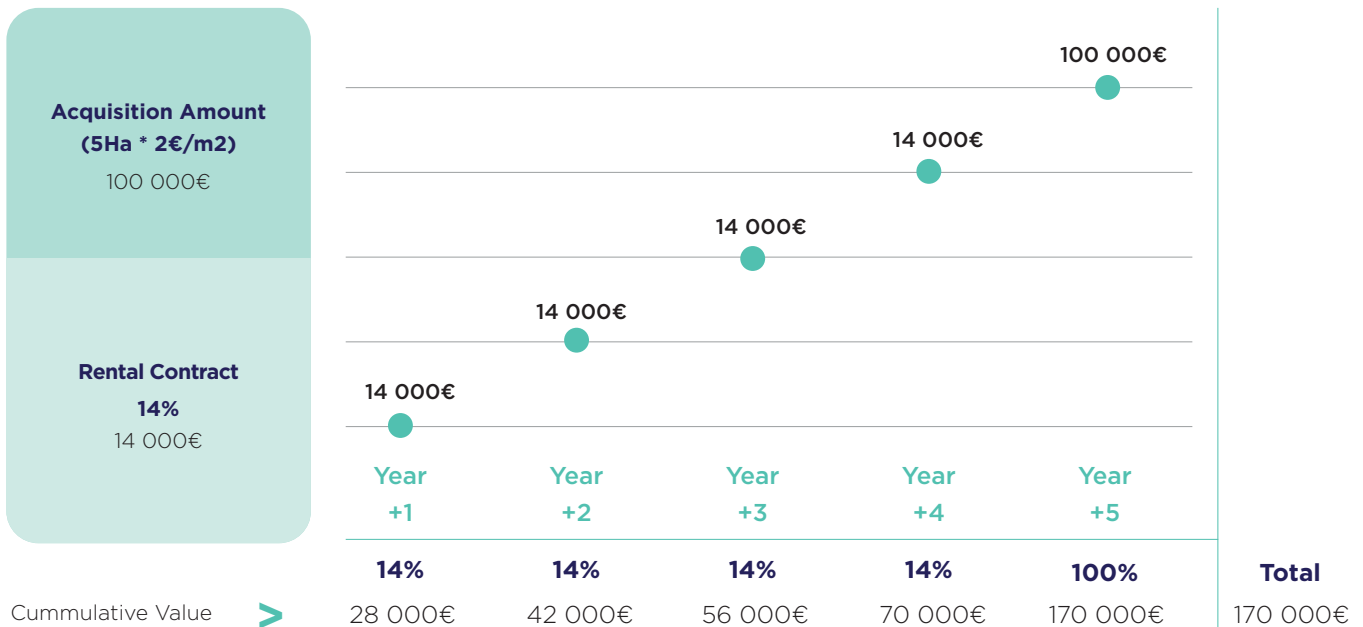
We are committed to acquiring the necessary land through fair and beneficial agreements for all. To date, the company has successfully acquired over 100 private land plots, totalling 88 hectares. Savannah began its land purchase plan 3 years ago, in the summer of 2021.

Since then, both private landowners and common lands (Baldios) have been informed of the proposed terms and have had the opportunity to engage in dialogue with the company.



Savannah is offering prices above the usual market value for land acquisition:

Example:

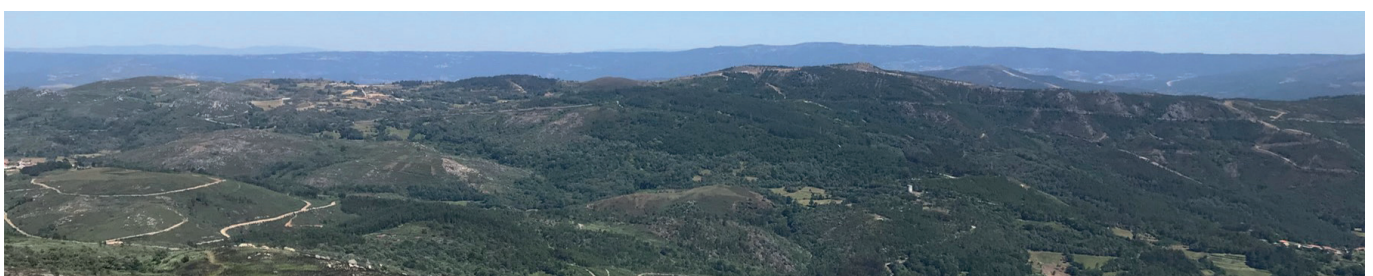


Developing closer relations with landowners and communities

Our approach to land acquisition is based on proactive engagement:

> We are committed to reaching mutually beneficial agreements with private landowners and Baldios, opting for an inclusive approach with all who wish to speak directly with us, whether they are private landowners or co-owners of Baldios.

> Various acquisition structures are available, including **direct purchases and lease agreements with an option to buy**, which can result in private landowners **receiving up to 170% of the base price** offered for their land over time.



Lease of common land



Savannah has developed a highly competitive leasing plan for Baldios land, as these lands, according to the law, cannot be purchased through buying and selling— they can only be leased or expropriated.

> A lease proposal has been communicated to the management bodies of the various Baldios, offering a total of approximately **10 million euros over 16 years, through annual rent and royalties on sold minerals, along with lump sum and annual payments directly to the co-owners of the Baldios, among other benefits.**

> Savannah currently has **two active contracts** with the Baldios of Covas do Barroso and Dornelas.

Expropriation as a last resort



Although our primary goal is to acquire the necessary land through amicable agreements, we recognise that, in some cases, and as with other projects of this nature, expropriation may ultimately be necessary:

> This mechanism ensures that both private landowners and Baldios will receive fair compensation, determined by a court, for the relinquishment of their land rights.

> Expropriation is a common practice in state concession projects, aimed at balancing the project's needs with fair compensation for the communities.

> In such cases, the court will determine the fair value, based not on the amount previously offered by Savannah, but on the land's current use and the historical prices for similar land in the region.



Conclusion

Our commitment to establishing fair land acquisition processes underscores our respect for everyone in the region and for legal standards. Our goal is to foster positive relationships and ensure that all parties involved receive fair compensation and benefits whenever possible. Through transparency, proactive engagement, and flexible acquisition models, Savannah is dedicated to developing a successful project.

Partnership Agreement between Savannah and AMG

Savannah has signed a partnership agreement with AMG Critical Materials N.V., where AMG is making an investment of approximately 19 million euros in Savannah's capital, acquiring a 15.77% stake in the company.

This agreement is the first result of the Strategic Partnership Process announced by Savannah and includes, among other things:

- > **Funding to Strengthen the Project:** Savannah secures full funding to complete its ongoing and planned workflows, including, for example, team expansion and the acquisition of relevant land.
- > **Room for Additional Agreements:** Savannah retains the majority of its unallocated production capacity, allowing it to sell this capacity to an additional partner or on the open market. The mixture of quartz and feldspar for the ceramics industry remains available for new partnerships.
- > **Additional Cooperation Opportunities:** AMG and Savannah will also collaborate on a range of mutually beneficial opportunities, which could include up to two additional plants in Portugal.



“It is with great satisfaction and pride that I see the partnership between Savannah and AMG, a well-established international company that leads the lithium sector in Europe. This agreement acknowledges the significant potential of the Barroso spodumene lithium resource. The partnership announced today will enable Savannah to continue growing its team in Portugal and further develop its various lines of work.”

Emanuel Proença, CEO of Savannah



Events and Meetings

This year, Savannah has begun regularly to open its doors to receive guests and anyone interested in learning more about the Barroso Lithium Project. It has been an intense few months with regular visits to Boticas and the Barroso region from those who, like us, believe that the BLP can have a transformative effect for the better in the region.

We have also held open meetings with the community, highlighting the project's potential for Barroso, despite ongoing dissenting voices and concerns about the Project. We are increasingly feeling an openness for dialogue and a growing understanding among all parties. We will continue to work on clarifying any doubts that come our way and will always be available to listen to suggestions on how to better serve the region.

Here are just a few highlights from these early months of the year:

> Indra McCormick, the Australian Ambassador to Portugal, visited our Boticas Information Centre. Her visit highlighted the international recognition and support that the project receives.

> We also had the pleasure of hosting students from VetAgroSup in France and the Institute of Geosciences in Madrid. During their visit, the students were able to observe some lithium pegmatite samples and speak with our on-site geology team.

> The team from Orica, an Australian company leading in mining and infrastructure solutions, visited our project and conducted hands-on training with the Savannah team. This training demonstrated operational procedures in the field to ensure the safety of the operation at all times.

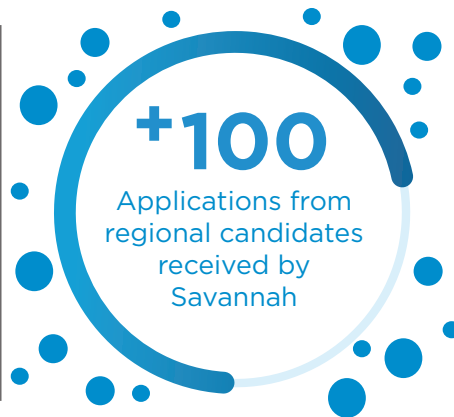




> We also had the opportunity to strengthen ties with our partners and community members. We are pleased to have organised several community meetings, including during Carnival and Easter, which provided enjoyable moments of belonging and shared purpose, complemented by delicious regional snacks. Our May meeting was even more special as, in addition to celebrating the first anniversary of the project's DIA (Environmental Impact Declaration) approval, we gathered over 100 people, mostly representing the various villages near the concession area and Boticas. If you would like to join us at future meetings, please subscribe to our WhatsApp channel using the QR code found on the back cover of this edition of the newspaper.

Our team

Since the beginning of the year, Savannah has been expanding its team. Our team is spread across the globe, from Australia to the United Kingdom and Portugal. In fact, Portugal has seen the most growth, with new colleagues joining in areas such as communications, community relations, field support, geology, administrative support, and business development.



Our focus has been on strengthening the local and national dimensions of the team, continuously adding knowledge and experience to the project. We are increasingly becoming a local team with international experience. If you are interested in joining us, please visit our offices and leave your information so that we can get in touch. You can also contact us via phone at +351 276 413 042 or email at info@savannahresources.com.



Join us!

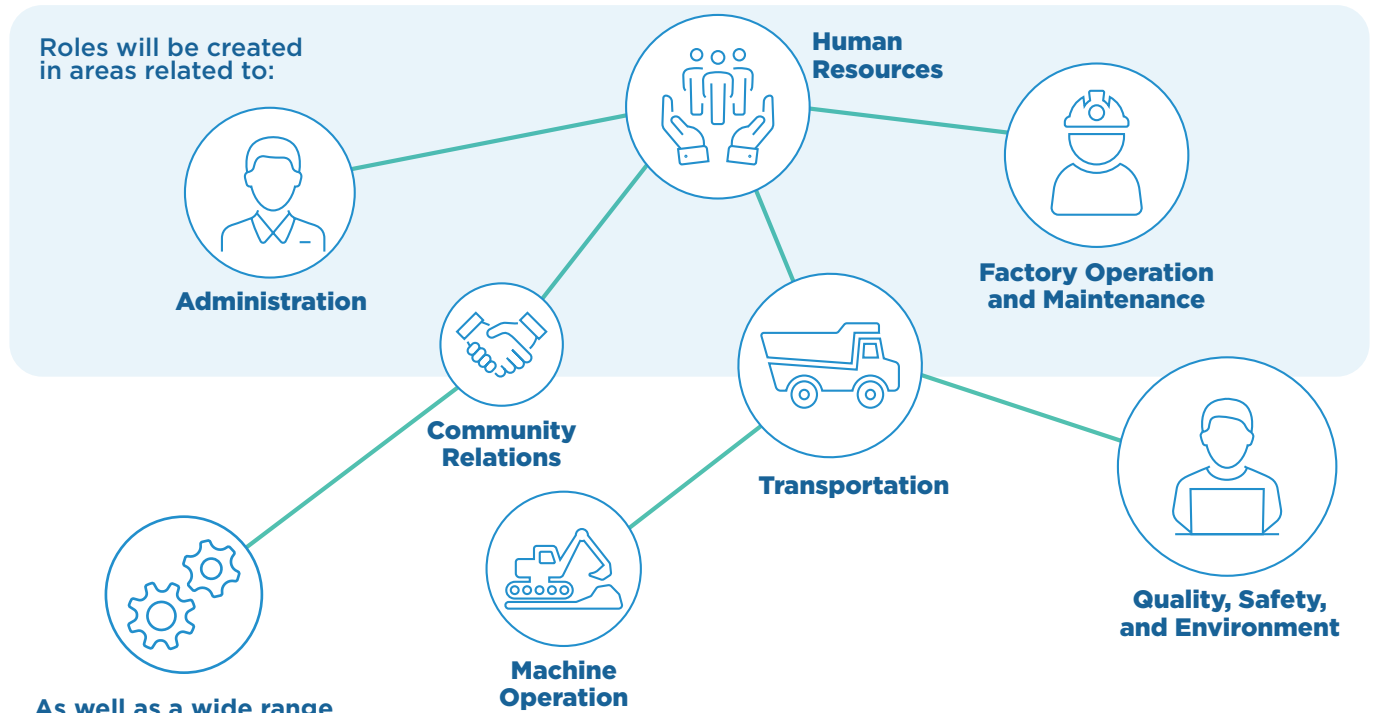
In the past year, with the advancement of the Project, we have doubled Savannah's operational team in Portugal. Most of the new hires have joined the technical team to assist with fieldwork, but we have also recruited experienced Portuguese professionals for roles in Community Relations, Communications, and Business Development. We are proud to have

ten employees who now live in the local area. Although the Project has already created long-term jobs for Portuguese people, we have only just begun, and this will continue in the coming months. The construction and operation of the project will generate hundreds of new opportunities, requiring a wide range of skills.

Savannah is looking to hire more local residents and those from the region who are currently working in other locations but wish to return. We aim to assist in preparing candidates for roles in the Project by collaborating on training programmes with local training entities, employment and vocational training centres, and local trade associations.

In addition to direct jobs, the Barroso Lithium Project will also create thousands of indirect jobs in other businesses through its demand for a wide range of goods and services. With Savannah committed to fostering economic activity in the Trás-os-Montes

region whenever possible, the company is dedicated to listening to local businesses and merchants who believe they can supply the Barroso Lithium Project now or in the future. In due course, we will seek to create direct or indirect opportunities for everyone.



As well as a wide range of engineering and construction professions, and many other areas.

If you want to learn more about working at Savannah or inquire about any current or future positions, please contact us using the details at the end of this newspaper. Alternatively, visit our Information Centre in Boticas for more information.

Savannah will be organising a visit to the Castro Verde region, an area neighbouring the Neves Corvo-SOMINCOR mine complex, on September 14th and 15th. The aim is to visit the area and gain a better understanding of the realities experienced by residents of the villages near Portugal's largest mine.

Join us on this visit by expressing your interest via email at info@savannahresources.com or by contacting us at **+351 276 413 042**.

Don't waste time, there are limited seats available for this tour.



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



Scan the QR code with your phone to join our WhatsApp group