

19 December 2024

## **Year End Statement from Savannah's Chair**

Savannah Resources Plc, the developer of the Barroso Lithium Project (the 'Project') in Portugal, Europe's largest spodumene lithium deposit, is pleased to present the following year end statement from Rick Anton, the Company's Chair.

Dear shareholders,

As we come to the end of 2024 and I reach the milestone of six months as Chair of the Savannah Board, I am pleased to have the opportunity to provide a brief recap on the Company's achievements this year, as well as some guidance on what we can all look forward to in 2025.

As a result of our team's great work over the last 12 months, Savannah has significantly advanced the Barroso Lithium Project.

We now have AMG Critical Materials onboard as a strategic partner, shareholder and proposed first offtaker. Already the value of this partnership has been demonstrated by AMG's equity investment in Savannah and the recently announced confirmation of the Project's eligibility for a loan guarantee of up to US\$270 million from the Federal Republic of Germany. The likely use of some of our lithium concentrate as feed for the lithium battery value chain in Germany was crucial in opening up the possibility of receiving this financing. AMG has been instrumental in this process and we look forward to their continuing support as we go deeper into this financing process with the German institutions, KfW-IPEX Bank and Euler Hermes. I am sure many more benefits of this European-focused partnership will present themselves as we proceed together.

Savannah has also greatly benefitted from the significant support it has received from our new Portuguese investors. Portuguese individuals and institutions, including retail investors from the Boticas region as well as some of the country's most prominent entrepreneurs and businesses such as Mario Ferreira and Grupo Lusiaves, now own close to 20% of the Company, following consistent buying in the market over recent months. I believe the size of the shareholding speaks volumes as to the growing in-country interest and support for our Project. This is not only as an investment opportunity, but also as part of a wider national industrial development based on Portugal's substantial natural resources, its existing infrastructure and high-quality workforce.

We have also been further encouraged by the recent actions of the Portuguese State including the award of a Mining Lease on the three 'Aldeia' land blocks at our Project and the initiation of a wide ranging Critical Raw Materials Action Plan.

These developments and the doubling of Savannah's share price, which has made us one of the best performing lithium stocks in the last 12 months, were achieved despite the ongoing tough conditions in the lithium market and numerous negative headlines about EV sales. Pleasingly, the spodumene concentrate price has shown a modest improvement from its lows in August and the reality of global EV sales is in fact a 25% rise from January to November (15.2 million vehicles sold, source: Rho Motion) versus the same period last year, with good signs of a reacceleration coming in the last quarter of the year. Clearly, these are not the statistics of a market in serious decline, as some media outlets appear to want to portray.

In addition, there was notable M&A activity in the sector during the period, indicating that the industry itself continues to mature. This began last January with the completion of the merger of my former company, Allkem, a company I joined when it was at a similar stage to Savannah now, with Livent to create a new lithium major, Arcadium Lithium ('Arcadium'). Arcadium subsequently received a US\$6.7bn proposed takeover from Rio Tinto in October, which represented a 90% premium to Arcadium's market value at the time.

Turning to 2025, there is much ahead to look forward to. Yes, there is short term uncertainty in the outlook for lithium prices and the pace of development of the energy transition. However, as a pre-production lithium company with a very competitive and valuable resource, I believe Savannah is largely insulated from these issues and can focus firmly on the tasks it has to execute.

The first of these is to progress our Project as quickly as we can towards production. In that way, we will be ready to take advantage of the more favourable conditions and higher prices, which will return to the market in the future. My confidence in this recovery is sustained due to the lithium market's secure foundation, which is built upon emission reduction-related legislation in all major global markets and the established position that lithium-ion batteries have achieved as the energy storage technology of choice for multiple applications.

The second task is to communicate our story as clearly, transparently and widely as we can. This will not only help to further build our standing with our local stakeholders via the distribution of accurate and consistent information and through growing positive engagement, but also increase awareness of Savannah as an attractive investment opportunity in the battery metals and energy transition sectors.

We will be starting the New Year on a firm footing and expect 2025 to be the Company's busiest year yet. In preparation for this work, we have continued to build out both our technical, communication and community relations teams. We have recruited members of the local community, as well as new recruits from further afield who are coming to live in the local area. Additional accommodation has been secured for our new personnel in the heart of our local communities as we continue to deepen our links with the area and become an established part of local society. Investment has also been made in our 'Geo-centre' building where our larger technical team now have all the facilities they need to work efficiently on the data being generated by our extensive fieldwork programme.

As we announced last week, we have now been granted temporary access to land which we do not own at the project yet. Coupled with our healthy cash balance (circa £18.3 million as at end of November) this access allows us to progress the fieldwork, including the 13,000m second phase drilling programme, required for the Project's Definitive Feasibility Study and environmental licence. Work is well underway preparing drill pads and we will be providing regular updates about developments on the ground. Our expectation remains to complete the DFS and environmental licencing process in the second half of next year, which will be huge milestones for the Project. As we move towards those goals, publishing new data and providing frequent updates as we progress, I'm sure there will be plenty of opportunity for the market to form a fresh perspective on our Project's strategic and economic value as well.

Very significant progress was made in 2024 and we look forward to 2025 with great confidence, knowing that we have all the key elements in place to significantly advance the Project. We are looking forward to achieving these objectives and showcasing the value and benefits which can be created by responsible lithium raw material production in Europe, for Europe.

With Seasons Greetings and best wishes for the New Year.

Rick Anthon  
Chair, Savannah Resources

#### **About Rick Anthon**

Rick Anthon is a seasoned Lithium industry professional, having worked full time in the Lithium sector for almost 10 years. Prior to joining Savannah in June 2024, Mr Anthon was the director of Corporate Development at Allkem Limited. He worked with Allkem from its initial IPO as a small exploration company up until its recent AUD 16Bn merger with Livent to form NYSE listed Arcadium Lithium, now one of the world's largest producers of finished Lithium chemicals.

At Allkem, Mr Anthon worked on a number of major transactions including partnering with Toyota Tsushu Limited to develop the Olaroz Lithium Facility and the Naraha Lithium Hydroxide Plant, the establishment of Advantage Lithium Corp, a number of major capital market fund raisings, including the merger of Orocobre with Galaxy Resources Limited, creating Allkem which ultimately merged with the Livent Corporation to form Arcadium Lithium. Mr Anthon also worked closely with the Project teams for both brine and hard rock projects and Allkem's community and sustainability team.

## Regulatory Information

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

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

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



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## About Savannah

Savannah Resources is a mineral resource development company and the sole owner of the Barroso Lithium Project (the 'Project') in northern Portugal, the largest battery grade spodumene lithium resource outlined to date in Europe.

Through the Project, Savannah will help Portugal to play an important role in providing a long-term, locally sourced, lithium raw material supply for Europe's lithium battery value chain. Once in operation the Project will produce enough lithium (contained in c.190,000tpa of spodumene concentrate) for approximately half a million vehicle battery packs per year, and hence make a significant contribution towards the European Commission's Critical Raw Material Act goal of a minimum 10% of European endogenous lithium production

from 2030. Savannah is being supported in its development goals by its strategic partner and largest shareholder AMG Critical Materials N.V., the global critical materials business.

Savannah is focused on the responsible development and operation of the Barroso Lithium Project so that its impact on the environment is minimised and the socio-economic benefits that it can bring to all its stakeholders are maximised.

The Company is listed and regulated on the London Stock Exchange's Alternative Investment Market (AIM) and trades under the ticker "SAV".