

31 May 2023

## Positive DIA for Barroso Lithium Project

### Barroso Lithium Project Receives Positive Environmental Impact Statement (DIA) from Regulator

Savannah, the European Lithium Development company, is pleased to report that Agência Portuguesa do Ambiente ('APA'), the Portuguese Environmental regulator, has issued a Positive Declaration of Environmental Impact ('DIA') for Savannah's wholly owned Barroso Lithium Project (the 'Project') in northern Portugal. With this key positive decision, the Project can now progress to the next stage of the environmental licencing process ('RECAPE'), and the outstanding work required to complete the Definitive Feasibility Study ('DFS') on the Project can recommence.

#### Highlights

- Savannah has received a positive DIA from APA for its revised design and optimisation for the Barroso Lithium Project, which encompasses feedback from stakeholders to further minimise the environmental impact of the Project.
- This represents a major milestone for the Project and is the first positive DIA for a lithium raw material supply project in Portugal, while implementing European best ESG practices.
- As expected, in line with international practice, the DIA has been issued with a set of conditions, measures and compensations (the 'Conditions') which, following review, Savannah has agreed to, and which should provide further assurance that the Project will be developed and operated in a socially and environmentally responsible way, and that socio-economic benefits will be shared with stakeholders.
- The positive DIA allows the Company to progress key economic studies on the Project, including the publication of an updated Scoping Study expected in early H2 2023, and the recommencing of the Definitive Feasibility Study.

**Dale Ferguson, CEO of Savannah commented,** "We are delighted that APA has issued a positive DIA for the Barroso Lithium Project. This is an extremely important step forward, not only in the development of the Project, but also in the development of the lithium raw material industry in Portugal.

“Given Savannah’s commitment to responsible practices, minimising impact and sharing socio-economic benefits, the Company has agreed to the Conditions associated with the DIA. These Conditions include obtaining conditional approval to construct the proposed bypass road to join to the A24 motorway and limiting the removal of vegetation from the Project area to certain months of the year. Others, such as not taking water from the Covas River and backfilling or partially backfilling and relandscaping the mining areas once ore extraction has ceased, mirror plans and commitments the Company has already made in its submissions to APA, our community engagement programme and decarbonisation targets.

“The decision from APA now gives us the detailed framework we need to produce the final technical design of the Project. Hence, our next major task on a technical front is to undertake all the outstanding work necessary to complete the Project’s final design. This will then allow us to complete both the environmental licencing process and the Project’s Definitive Feasibility Study.

“With the Project taking a big step towards development through this decision, our other major task is to further increase our engagement with all stakeholders so they are kept well informed of how the Project will now progress, and how they can work with us and our engagement team to help shape the Project’s social role in the region. In this way, everyone can benefit from the long-term socio-economic opportunities the Project will create. We will also be looking to add to our own team as the Project workload increases.

“APA’s positive decision is a fundamental de-risking milestone for the Project and marks the start of an exciting new phase for the Barroso Lithium Project, for Savannah and for Portugal as it takes its first step to seizing a significant role in Europe’s lithium battery value chain and energy transition. It also reflects the excellent and dedicated hard work of the Company’s staff, particularly our licencing team of Joao Barros and Sonia Coelho, and professional advisers over the last eleven months since the Project entered the Article 16 process.”

### Next steps

- **Scoping Study:** Savannah will publish a new Scoping Study based on the revised Project design submitted to APA which incorporates current consensus spodumene concentrate price forecasts. Savannah expects to publish this Study in early H2 2023.
- **Definitive Feasibility Study:** With a number of operating parameters, including site layout agreed as part of the DIA approval, Savannah can now move ahead with the finalisation of the Project’s Definitive Feasibility Study. As part of this study, a small programme of fieldwork is required, including some drilling. Savannah will look to undertake this fieldwork later in 2023, which is expected to take approximately 6 months. Savannah expects to complete the DFS around 12 months after the restart of fieldwork.
- **Stakeholder engagement:** Savannah’s stakeholder engagement programme (Action Plan) will also be maintained and expanded. Through engagement with stakeholders, the Company will

work to optimise the Project's Benefit Sharing and Good Neighbour Plans, which can be built around Savannah's initial proposals which include;

- Creation of a community foundation which would receive €500,000/year from the Project for community-led initiatives
- Support for environmental, historical, cultural, and agricultural heritage projects
- Support of initiatives for young people, individuals and families in need, and the elderly
- Ongoing provision of resources for local firefighters
- Sharing of health, transport, and infrastructure assets
- The **Social Impact Assessment** being conducted by Community Insights Group will also be progressed.
- **Environmental Licencing:** Savannah expects the remaining steps of the environmental licencing process to take 9-12 months to complete:
  - Savannah must now complete the Environmental Compliance Report of the Execution Project ('RECAPE'). During this phase of the licencing process the Company will again engage with APA to ensure that all the conditions set in the DIA are captured in the final design of the Project. Savannah will then submit the final designs for the Project along with the measures and environmental monitoring plans to be implemented during the construction and operating phases to meet the criteria established by the DIA. If these designs and plans are approved by APA the environmental conformity of the detailed design can be declared ("DCAPE").
  - 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'. APA is expected to take around 60 working days to review the submission.

### 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, the Project contains the most significant spodumene lithium resource in Western Europe. Following a positive Scoping Study in 2018, Savannah is progressing the development and environmental licencing of the Barroso Lithium Project based on the production of approximately 200,000t of spodumene concentrate per annum.

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".