

09 January 2026

**Savannah Resources Plc**  
**(AIM: SAV) ('Savannah', or the 'Company')**

**Approval of up to €110m Portuguese State Grant**  
***Portuguese State awards grant of up to €110 million to the Barroso Lithium Project***

Savannah Resources Plc, the developer of the Barroso Lithium Project in Portugal, a 'Strategic Project' under the European Critical Raw Materials Act and Europe's largest spodumene lithium deposit (the 'Project'), is delighted to announce the award of a non-reimbursable grant (the 'Grant') of up to approximately €110 million (approximately US 128 million) from the Portuguese State and supported by national funds under the European Commission Temporary Crisis and Transition Framework.

The Grant represents a highly significant financial contribution towards the planned construction of the Project and further demonstrates the support the Project is receiving from the Portuguese State in recognition of its status as an asset of national and European importance in a new strategic industry for the country and the European Union.

**Highlights:**

- Grant details:** The up to approximately €110 million<sup>[1]</sup> (US 128 million) Grant is non-reimbursable<sup>[2]</sup> and is divided into two parts. 75% (82.25 million Euros, US 96.23 million) is to be committed to the Project's initial development capital expenditure ('CAPEX'), and the remaining 25% (27.42 million Euros, US 32.08 million) linked to performance milestones during the operational phase.
- Source:** The Grant draws on the State's 'Investments in Strategic Sectors' Incentive Scheme, ruled by Government Order no. 306-A/2024/1, of November 27<sup>th</sup> ("Regulation") and falls under the contractual investment regime ('RCI'), approved by Decree-Law No. 191/2014, of 31 December, representing a large investment project in sectors that are fundamental to the transition towards a carbon-neutral economy and in strategic sectors for the transition to a net-zero emissions economy.
- State Entities involved:** The award is made by means of an investment agreement with the Portuguese Trade & Investment Agency ('AICEP'), pursuant to the approval by the Managing Authority of the Thematic Programme for the Innovation and Digital Transition Programme (COMPETE 2030) and the Ministry of Economy and Territorial Cohesion and supported under the European Commission's Temporary Crisis and Transition Framework.
- Conditions precedent:** Savannah must comply with certain conditions and Project timelines in order to receive the Grant (see below).
- Next steps:** Pursuant to the signing of the investment contract by the parties, Savannah will work with AICEP to make the Grant compatible with any future Project Financing and/or other potential funding options to complement the development of the Project. Once executed, Savannah expects that draw down from the first tranche of the funding will take place in parallel with the initial capital development phase of the Project.

**Emanuel Proenca, CEO of Savannah said** "The award of this Grant marks another, highly important, milestone for Savannah and the Barroso Lithium Project. The scale of the financial commitment being made by the Portuguese State will provide a significant contribution towards the Project's CAPEX as we

target production from 2028. It also underlines the Portuguese State's significant support for the Project's delivery, and mirrors similar recent actions taken by other governments in support of strategic projects elsewhere in Europe and around the world.

"There are multiple social and economic benefits associated with bringing our Project into production, including creating a new industry and economic growth for Portugal, providing a domestic source of responsibly produced lithium raw material for Europe's greater energy independence, and bringing much needed development and job opportunities to the Barroso region and the wider northeast of Portugal. We are conscious of the responsibility we have to deliver a project in accordance with the best international standards and to the benefit of many people and entities on the ground in the Barroso region with whom we already work. We are committed to fulfilling the demands and responsibilities associated with Portuguese State investment, and we have strong confidence in the State's commitment to continue to do its part in making Portugal's lithium battery value chain a success for the country's current and future generations."

"I look forward to providing Savannah's shareholders and stakeholders with further updates regarding the Grant as it progresses".

**Henrique Freire, CFO of Savannah said,** "This Grant is excellent news and represents strong financial and national support to our Project, which will instil great confidence in our existing and future stakeholders.

"Savannah has already made good progress on key elements of the potential financing package for the Project, including this Grant, ahead of a Final Investment Decision expected later in the year. In the months ahead we will continue to work on additional elements, such as debt financing and additional partnerships, so that we have a full suite of financing options available to deliver full execution of this highly strategic project."

#### **Further information**

- Process and source of funding:** The Grant is made following the call for Applications SIFN/ISE/01-2024 - Incentive System «Investments in Strategic Sectors», supported by national funds. Application no. 25645 was submitted by Savannah's Portuguese subsidiary, Savannah Lithium, Unipessoal Lda, under the contractual investment regime ('RCI'), approved by Decree-Law No. 191/2014, of December 31, and paragraph 1 of Article 1 of the Regulation, presenting large investment projects in sectors that are fundamental to the transition towards a carbon-neutral economy and in strategic sectors for the transition to a net-zero emissions economy. The application was evaluated and negotiated with AICEP and then received approval from the Managing Committee of the Managing Authority of the Thematic Programme for the Innovation and Digital Transition Programme (COMPETE 2030) and the Portuguese Government, under Order no. 241/2026, of December 29<sup>th</sup>, published within the Official Gazette ("Diário da República"), Series 2, no. 4, on 7 January 2026.
- Objective:** Construction of a new extraction and production unit for spodumene concentrate essential for the production of batteries, electrolyzers and other equipment that incorporate lithium in their composition, in Boticas (Vila Real district, NUTS II Norte).
- Financing:** The call allows for 35% of the total amount of eligible expenses to be granted to the applicant. Hence, Savannah can receive up to a maximum total value of €109.67 million (US 128.31 million) in the form of a Non-Refundable Grant divided into two parts as follows:
  - o An amount of up to €82.25 million (US 96.23 million) equivalent to 75% of the total, granted as consideration for the execution of the operation (CAPEX); and
  - o An amount of up to €27.42 million (US 32.08 million) equivalent to 25% of the total, awarded as a contractual performance bonus sometime between 2031 and 2042.

- **Status of Grant:** The Grant is executed through an investment contract entered into between AICEP and Savannah Lithium Unipessoal Lda, under the terms of Decree Law no. 191/2014, of 31 December and the Regulation.
- **Conditions precedent and execution risk.** Savannah notes that while this Grant represents a significant milestone, the Project remains subject to permitting, financing, construction, and operational risks typical of mining developments. Shareholders should note that the timing and quantum of Grant receipts are contingent on meeting all contractual conditions. Should Savannah or the Portuguese State not comply with the conditions precedent before the end of the year, the contract would be void.
- **Next steps:** Pursuant to the signing of the investment contract, Savannah will work with AICEP to complete its execution and the fulfilment of all contractual and legal obligations, notably regarding the Grant's compatibility with any future Project Financing and/or other potential funding option to complement the development of the Project.

## 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.

\*\*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 Project is the largest battery grade spodumene lithium resource outlined to date in Europe and was classified as a 'Strategic Project' by the European Commission under the Critical Raw Materials Act in March 2025.

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 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 AIM Market of the London Stock Exchange and trades under the ticker "SAV".

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[1] The final amount of the Grant will be confirmed upon formal award and may be less than the maximum amount stated, depending on the final eligible cost of the Project.

[2] If certain operational conditions are breached, then a portion of the Grant may be repayable at a later date when the performance milestones are reviewed after 2031.

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