

To: Beatriz Balbin
Chief Special Procedures Branch
OHCHR, United Nations

C/O: Mariana Von Roten Paredes Gil
mariana.vonrotenparedesgil@un.org

Ref: AL OTH 23/2023

Date: 26 May 2023

Dear Ms Balbin,

Subject: Response to Communication from Special Procedures, Office of the High Commissioner for Human Rights

Many thanks for your letter of 3 April 2023, sent under the communications procedure of the Special Procedures of the United Nations Human Rights Council. Savannah Resources ('Savannah') notes your summary of the Special Procedures mechanisms and the Company is happy to respond to the three questions you raise and provide some clarifications and further comments on the revised Environmental Impact Assessment ('EIA') which Savannah submitted on 16 March 2023 in relation to the Barroso Lithium Project (the 'Project') in the Boticas Municipality of northern Portugal.

Savannah is committed to both responsible critical raw material production and being a valuable and pro-active member of the local community which it works alongside. In addition to following relevant legislation, the Company is committed to its responsibility to respect internationally recognised human rights, including those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

The Barroso Lithium Project has been designed to meet with all relevant Portuguese and European legislation, and through that the Company is committed to prevent and mitigate and, where appropriate, remediate its potential adverse human rights impacts. By taking this approach, the maximum environmental and social benefit can be derived from the lithium it will contribute towards Europe's energy transition and, in turn, the creation of a cleaner, more sustainable environment for all.

In response to your specific questions (which are repeated below in italics for convenience), we advise:

1. *“Please provide any additional information and/or comment(s) you may have on the above-mentioned allegations.”*

In response to the specific concerns raised to you regarding the Project’s potential impact on *“local community members human rights including the human right to a clean, healthy and sustainable environment”*, we note the following.

Every effort has been made to apply innovative design and industry best practices to preventing and minimising the proposed Project’s impact on the natural environment, the local population, and people’s human rights. The revised EIA submitted by Savannah in March 2023 and put out for public consultation by the Portuguese Environment Agency (‘APA’) during March and April 2023, contained material changes to the Project’s previous design based on feedback received from stakeholders up to that time. This included comments received by APA during the April-July 2021 public consultation period, including those from the local community and other local interest groups. The revised EIA clearly identifies the potential impacts and lays out the mitigation measures and management procedures the Company will implement. This includes measures to manage potential impacts and address those concerns raised to you and reported in your letter, such as: loss of forests/cutting of centenary oaks; water (pollution and shortages); potential disasters and loss of traditional livelihoods; noise, changes in landscape and soil conditions; and also land managed by the Baldios Groups; the GIAHS area and its status; and a Benefit Sharing Plan.

Further details on these key topics are included in Appendices 1 “Company and Project Overview” and 2 “Responsible Project Management”, while complete details on all these measures and proposals can be found in the documents submitted to APA, which are still available to the public on the [Participa website](#). Additionally, in recognition of the fact that the Environmental Report, Mine Plan, and associated documents submitted to APA for consideration are lengthy and technical in nature, Savannah produced and published the following materials in Portuguese (and English) for stakeholders:

- A Community Information Sheet summarising the Project (posted to all households in the Boticas Municipality, and available at the Company’s Information Centres and on its [website](#)).
- 17 Fact Sheets, covering specific aspects of the Project’s design, operation, rehabilitation, and commitments to creating and sharing socio-economic benefits with stakeholders (available at the Company’s Information Centres and on its [website](#)).
- A new video featuring key information on the Project including computer generated images of the Project during its operating phase, rehabilitation, and subsequent closure (available on the Company’s [website](#)).

In response to issues raised about the EIA review process and public participation Savannah does not have any involvement whatsoever in the setting of the Mining or Environmental Laws in Portugal, but is responsible for following and complying with all the procedures as set out by the

relevant authorities. A defined process has been created in Portuguese law which is managed by APA with input provided by other relevant expert groups through its EIA Evaluation Committee and external interested parties through public consultation.

If a positive Environmental Impact Statement ('DIA') is received from APA by 31 May 2023 several additional stages of project design, stakeholder consultation, and licencing approvals would lie ahead before the Project could be constructed and start operating.

As defined by law, the two public consultations provided on the Project to date (April-July 2021 and March-April 2023) and the associated public provision of Project-related documents to view online or download has been managed and coordinated solely by APA. The Company welcomed and supported the 30-day extension to the first public consultation in 2021 and the further 10 business day extension provided by APA to the 2023 consultation. In total 80 days of public consultation have been provided to date on the Project.

Savannah provides further clarifications and comments on this topic in Appendix 3 "Environmental Licencing Process".

In addition to APA's public consultation process, Savannah initiated community meetings in the Covas do Barroso and Dornelas parishes in March 2023 to engage with local stakeholders to hear their views on the Project and to provide information on how the Company plans to minimise the environmental and social impacts of the Project and to operate in accordance with all applicable laws and respecting internationally recognised human rights.

This most recent engagement with community groups follows on from the initiation of a comprehensive Social Impact Assessment ('SIA') by the Company last year with the support of external expertise (Community Insights Group, a highly experienced social performance consultancy).

To date as part of the SIA, Savannah has produced a Community Profile Report, which took a systematic approach to understanding the social issues within the local communities through various methods including document analysis, media analysis, and first-hand interviews with local stakeholders.

The Community Profile Report highlighted a preliminary list of potential social impacts and served to guide the creation of the Community Information Sheets highlighted above. In addition, it informed the planning for subsequent data collection, and the design of an inclusive participatory process – both crucial steps for a thorough SIA.

Following the production of the Community Profile Report, Savannah has committed to finalise a Participatory SIA. This next phase will involve conducting a representative survey with the community to gain a deeper understanding of their perceptions of the Project and its potential impacts. Based on the survey results, thematic group discussions will be held to gain insights into specific social impacts and to collaboratively design mitigation strategies that are meaningful to the community members.

While Savannah understands that the Participatory SIA doesn't directly address human rights issues, it serves as a valuable framework to deepen the understanding of the Project's impacts.

Savannah denies in the strongest terms any alleged use by the Company of "*intimidation tactics to silence opposition to the project*". The Company has always willingly engaged with stakeholders

and listened to their views on the Project, and is committed to continuing to do so in the future. This commitment is reflected in Savannah's Corporate Government statement and our 'Code of Conduct' which defines the behaviour and approach we expect from all staff members.

2. *"Please provide information as to what human rights due diligence policies and processes have been put in place by your company to identify, prevent, mitigate and account for how you address adverse human rights impacts throughout your business operations, in line with the UN Guiding Principles on Business and Human Rights (UNGPs)."*

Savannah is a small Company with less than 30 staff (including Board Directors), no revenue generating assets at present, and net assets as at 31 December 2022 of just £25.3m. The Barroso Lithium Project is the Company's sole mineral development asset, and, at present, there is no certainty as to whether this Project will be developed into a production asset. If development was to occur, this is unlikely to happen before 2025. Hence, it should be clear that Savannah would need to grow and mature significantly itself to become recognisable as a project 'operator' with a complementing comprehensive portfolio of policies and procedures which would be associated with operating a mineral extraction business. At the moment, Savannah does not have a stand-alone human rights policy but the current policies and procedures that are pertinent to human rights issues are, for example, the Health, Safety, Environment and Social Responsibility (HSEC) Policy that applies to all the Company's activities in Portugal, a Corporate Environmental and Social Management System, a 'whistle-blower' policy and a Code of Conduct, which all staff must adhere to.

However, Savannah recognises that the responsibility to respect human rights applies fully and equally to all business enterprises. The Company is aware through its own ongoing governance reviews and recent interaction with a number of stakeholders that there is a need to make absolutely clear, through policies and processes, its commitment to avoid causing or contributing to adverse human rights impacts and to prevent or mitigate adverse human rights impacts directly related to its operations or services provided through its business relationships.

Hence, as part of its ongoing corporate governance the Company is aimed at developing a human rights policy commitment that will also be based on a human rights due diligence process to adequately identify, prevent, mitigate, and account for how the Company addresses its impacts on human rights. A human rights' risk assessment will complement the ongoing Social Impact Assessment, which was outlined above (see Appendix 2 for further details).

Although the Company has not yet developed a human rights policy, the Company is committed to its responsibility to respect internationally recognised human rights including those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

In regards the right to a clean, healthy and sustainable environment, we believe the environmental impact study for our Project has received some of the highest levels of public scrutiny of any Project study in Portugal and has been overseen and followed by dozens of entities, including regulatory public entities, NGOs, local community members, and other stakeholders. Savannah has addressed the concerns raised, and the Project has all the state-of-the-art solutions to guarantee

a responsible, balanced, and friendly operation. No shortcuts have been taken in relation to environmental concerns, and the Portuguese Government has been extremely thorough in fulfilling its responsibility to evaluate the Project, notably in relation to the potential environmental impacts.

The Project is also undertaking other commitments or activities to support and promote human rights, which may contribute to the enjoyment of rights which should be highlighted. These include the following topics: Social; Biodiversity & Nature; Conservation; Rivers & Waterways; Water management; Civil Protection & Firefighting; Agriculture & Rural Development; Heritage; and Economy & Employment.

See Appendix 2 – “Responsible Project Management” and Appendix 4 – “Mitigations and Positive environmental and social aspects of the Project” for further details.

3. *“Please indicate the measures taken by the company to ensure the implementation of the UNGPs, including information on whether your company has established or participates in any operational-level grievance mechanisms, to provide access to remedy for affected individuals and communities.”*

We understand that to make it possible for grievances to be addressed early and remediated directly, the Company should establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted.

At present Project stakeholders are able to raise their concerns by attending in-person at one of our Information Centres, or by contacting the Information Centres via email, telephone, or post (contact details have been included on our Community Information Sheet and Project Fact Sheets). Alternatively, stakeholders can contact Savannah Resources Plc by email, telephone, or post using the contact details available on our website. The grievances received are reviewed by the Company's appropriately qualified personal or external advisers, and Savannah is committed to responding to any contact received in a timely manner.

Once the Company has completed its human rights risk assessment and adopted relevant policies, Savannah's grievance mechanism may be reviewed and revised. However, a 24-hour telephone hotline is planned if the Project becomes operational which can be used by stakeholders to contact the Company with concerns/grievances about the operational practices and potential impacts of the Project. Savannah has committed to responding to any concerns raised and keeping the stakeholder updated until the issues is resolved.

To conclude, I can confirm that both myself and the other members of the Board are committed to responsible critical raw material production and making Savannah a valuable and pro-active member of the local community which it works alongside. The Barroso Lithium Project has been designed to not only meet all applicable national and regional laws and respect internationally recognised human rights, but also so that its potential impacts on the environment and human rights of local communities are adequately addressed. In this way the maximum environmental and social benefit can be derived from the lithium which will also contribute towards Europe's energy transition and, in turn, the creation of a cleaner, more sustainable environment for all.

Should you have any further questions in respect of this matter I am available to hold a meeting with you.

Yours sincerely,

A handwritten signature in black ink that reads "Dale Ferguson". The signature is written in a cursive style with a large, stylized 'D' and 'F'.

Dale Ferguson
Technical Director and Interim CEO

For and on behalf of Savannah Resources Plc.

Appendix 1 – Company and Project Overview

- UK Registered company, Savannah Resources PLC (Registered Number 7307107) via its wholly owned Portuguese Subsidiary, Savannah Lithium Unipessoal Limitada, Registered Number PT513990313) is seeking award of an Environmental Licence from Agência Portuguesa do Ambiente ('APA'), the Portuguese environmental regulator, for the expansion of the Mina do Barroso Mining Project on the existing C-100 Mining Lease in the Parishes of Covas do Barroso and Dornelas in the municipality of Boticas in northern Portugal.
- Savannah is the sole owner of the Mining Lease which was awarded by the Portuguese Government in 2006. The Lease has an initial tenure of 30 years and with the option to extend the Lease by a further 20 years.
- To satisfy the conditions of the Mining Lease, mining activity is already undertaken on the Lease area with lithium-bearing ore sold to customers in Portugal's ceramics industry.
- As part of/In parallel with its Environmental Licence application to APA, Savannah is seeking to increase the physical area covered by the Lease by approximately 9% from 542 ha (5.42km²) to 593ha (5.93km²).
- At its increased size, the Mining Lease would cover an area equivalent to:
 - 9% of the combined Parishes of Covas do Barroso & Dornelas
 - 2% of the Boticas municipality
 - 0.5% of the 1,127km² area classified by the UN Food & Agriculture Organisation as the Barroso Globally Important Agricultural Heritage System ('GIAHS') area
- The area on the Mining Lease which would be either temporarily (82.4ha) or permanently impacted (188.2ha) by the proposed Project is 271ha (2.71km²), which equates to:
 - 46% of the Mining Lease
 - 4% of the combined parishes of Covas Do Barroso & Dornelas
 - 0.8% of the area of the Boticas Municipality
 - 0.24% of the GIAHS area
- Land classified as agricultural (10.8ha) and pastures (3.6ha) on the Mining Lease which will be impacted by the proposed Project is 14ha (0.14km²). This equates to:
 - 2.4% of the Lease area
 - 0.2% of the combined parishes of Covas Do Barroso & Dornelas
 - 0.04% of the area of the Boticas Municipality
 - 0.01% of the GIAHS area
- If approved, the Project's schedule and operating parameters are:
 - Construction: 2 years
 - Production: 12 years
 - Extract and process approximately 1.5 million tonnes of ore (containing the lithium-bearing mineral, spodumene, as well as quartz and feldspar) per annum
 - Move approximately 6.85 million tonnes of waste per annum (with 46Mt replaced in the pits over the life of the Project as part of the rehabilitation program)
 - Produce approximately 200,000t of spodumene concentrate per annum
 - Remaining rehabilitation: 2 years
 - Closure and return of land to parishes for alternative use: 1 year

- Positive Impact on emissions: Savannah is targeting to make the Project a net zero carbon producer over its life. The lithium contained in the concentrate to be produced would be sufficient for the manufacture of approximately 0.5 million lithium-ion vehicle battery packs each year, or approximately 6 million vehicles battery packs over the proposed 12-year operating life of the Project. With the zero/ultra-low emissions associated with electric vehicles (the batteries typical carry an 8 year warranties), Barroso's lithium could contribute towards the avoidance of tens of millions of tonnes of GHG emissions from the European transport sector and help with the European Commission's target to remove 90% of all greenhouse gas emissions from the region's transport sector by 2050. This would have a positive impact on the human right to a clean, healthy, and sustainable environment for millions of EU citizens.

Appendix 2 – Responsible Project Management

- Every effort has been made to apply innovative design and industry best practices to minimising the proposed Project’s impact on the natural environment and local population.
- **Loss of forests/cutting of centenary oaks:**
 - Savannah is committed to minimising impact on local forests. For example, the impact on oak groves situated on the Mining Lease has been reduced compared to the initial design by revising the layout of Project infrastructure. The Project will also use existing access roads on the site wherever possible to avoid additional cutting of vegetation.
 - In all the impacted areas, including all mining areas, tailings and permanent waste rock storage facilities, and infrastructure such as the processing plant and water storage facilities will be progressively and comprehensively rehabilitated, landscaped and revegetated with native species or other suitable species with good pollination characteristics.
- **Water pollution:**
 - The Project will operate as a closed system featuring water treatment and water recycling systems.
 - 85% of the water used in the processing plant, which accounts for 80% of the Project’s overall water demand, will be recycled.
 - The main reagents used in the Project to recover the spodumene and other products (quartz-feldspar) are biodegradable, which means that there is no risk of contamination to the environment.
 - Despite the tailings material (waste material from the processing plant) being inert the dry stack Tailings Storage Facility (‘TSF’) will be lined with an impermeable membrane.
 - The Waste Rock from the mining areas is also inert but the potential risk of sediment runoff from the Waste Rock Facilities (‘WRFs’) reporting to the Covas River has been identified, and detailed designs have been developed to mitigate this risk. The sediment run-off from the WRFs will be sent to the sediment control reservoir (the sediment run off from the WRF located close to the TSF, will go to the environmental control reservoir). These reservoirs will prevent the sediment reaching local water courses.
 - During unusually high rainfall events, it may be necessary to release water from the water storage reservoirs into natural streams. All released water will be cleaned in the treatment systems and will meet all legal requirements.
 - Water testing: External surface water quality will be monitored from points upstream and downstream of the operations. Data collected will include electrical conductivity, pH, turbidity, and dissolved oxygen. Other water lines that cross the Project will also be sampled, as will water collected in the onsite storage facilities, and groundwater from piezometers strategically installed across the Project area. The results of the water samples collected will be made available to the public via a dedicated Project app in real time.

- **Water shortages:**

- Sufficient water to meet the Project's needs can be captured from the Project's footprint, mainly from the mining areas as well as surface sources, and stored on site.
- The Project's water usage equates to 0.6% of the water in the Covas River catchment area, so the Project won't affect the biological flow of the river.
- If water availability or groundwater levels are impacted by the Project, Savannah will provide alternative water sources or replace lost water.

- **Potential disasters:**

- Safety of our staff and the general public is Savannah's top priority and operating practices will, as a minimum, meet with the requirements of the relevant legislation.
- Tailings (Waste from the processing plant)
 - are inert and will not react if in contact with other materials and chemicals.
 - Tailings will be stored separately from mining waste rock and at a safe distance from the Covas River.
 - The Tailings Storage Facility will be a highly stable 'dry stack' structure. The Project will not use a traditional 'wet' tailings dam.
 - For additional environmental protection, the TSF will be built on a waterproof lining.
 - While the risk of failure of the TSF is considered to be low, the facility has been designed with robust safety measures and contingency plans in place to minimise the risk of such an event occurring. The measures taken mean the risk of impacts on the Covas River are minimised with modelling showing that no material will reach the river in the highly unlikely event of a failure.
- Waste rock from the mining areas (rock which is not ore)
 - is inert and will not react if in contact with other materials and chemicals.
 - It will be stored in a mix of temporary and permanent Waste Rock Facilities ('WRFs')
 - Waste areas to be located to reduce impact & avoid water courses.
 - The potential risk of sediment runoff from the WRFs reporting to the Covas River has been identified, and detailed designs have been developed to mitigate this risk. While the risk of failure in the WRFs is considered to be low, a contingency plan has been developed to address the potential impacts of any such failure. This plan includes measures to contain any material within the valley immediately surrounding the structure, thereby preventing it from reaching the Covas River.
 - The sediment run-off from the WRFs will be sent to the sediment control reservoir (the sediment run off from the WRF that is close to the TSF, will go to the environmental control reservoir). These reservoirs will prevent the sediment reaching the water lines.

- **Noise:**
 - Savannah has committed to not exceeding the night-time limit of 43 decibels¹ during daytime operation (less than the noise of a refrigerator) except when blasting.
 - Blasting: Limited to 3 times per week between 12pm-3pm on Monday-Friday. Noise levels not to exceed 55 decibels¹ (less than the noise of motorway traffic or a washing machine).
 - The processing plant will be located 1.2km from the nearest village and within a low-lying area. Noisy parts of the plant will be enclosed and muffled to further reduce noise.
 - Working practices: All designed to minimise noise, including limiting drilling activities to 7am-8pm Monday to Friday and mining and on-site truck movements to 7am-11pm every day, in addition to the restrictions on blasting times.
 - If residents have concerns about noise, they will be able to contact the Company on a new telephone hotline or at its Information Centres.
 - Noise levels will be monitored, in real time using a series of sensors distributed throughout the Project and surrounding area. The data will be available on the Company's website, on a new smartphone app, at the Information Centres, and in other public places.

- **Changes in landscape:**
 - Rehabilitation of the impacted areas on the Mining Lease is guaranteed as it will be a requirement of the Environment Licence. Savannah is required to lodge a rehabilitation bond (cash) with the government before any works can commence. If, for any reason, additional rehabilitation work is required after the Project closes, the government can use this money to undertake the work.
 - The impacted areas including all mining areas, tailings and permanent waste rock storage facilities, and infrastructure such as the processing plant and water storage facilities will be comprehensively rehabilitated, landscaped and revegetated with native species.
 - Pits will either be fully or partially backfilled with waste to above the natural ground water level so there is no lake formation at the bottom of the pit and rehabilitated to fit in with the surrounding environment. Impacted water courses will be reinstated, as far as practically possible, to their original locations.
 - Mining will be carried out in phases, with no more than two mining areas operating at the same time and rehabilitation beginning once mining is complete. Rehabilitation of 3 out of 4 mining areas to begin during operating phase.
 - Following closure and full rehabilitation of the Project, Savannah expects to transfer the land to the respective parish councils, making it available for use by the local communities.

¹ As measured at the nearest house to the works concerned.

- **Soil conditions:**
 - Topsoil lifted from areas impacted on the Mining Lease will be stored and maintained and then used in rehabilitation to support the replanting with native species.
 - As discussed, the area of agricultural land directly impacted on the Mining Lease is limited to approximately 14 hectares, equating to 0.012% of the GIAHS area.
 - As highlighted, the tailings and waste rock material produced at the operation are inert but additional measures have been put in place to capture any sediment or leachates associated with these structures.
 - The main reagents used in the Project to recover the spodumene and other products (quartz-feldspar) are biodegradable, which means that there is no risk of contamination to the environment.
 - Dust is considered to be the major risk to air quality from the operation, and operating plans have been designed to use water to suppress dust generated by vehicles moving on unpaved roads or where mining trucks deliver ore to the processing plant.

- **Loss of traditional livelihoods:**
 - Through its proposed Benefit Sharing Plan and Good Neighbour Plan, which are key pillars of its submission to APA, Savannah has committed to creating and sharing socio-economic benefits with stakeholders throughout the life of the Project and beyond
 - Proposals which relate to sustaining local traditions and culture include:
 - Preferential purchasing of food, goods, and services from local producers
 - Supporting Barroso as a GIAHS territory.
 - Supporting training of agricultural or traditional producers and enterprises.
 - Promoting the economic and social benefits of agroforestry and pastoral systems in the Barroso region.
 - Supporting the valorisation of Barroso's cultural and natural heritage
 - Supporting breeding programmes for local cattle and pigs
 - Commissioning an ethnographic study of the valleys of the Beca and Covas Rivers

- **Land managed by the Baldios Groups**
 - Savannah has engaged recently with both the Covas do Barroso and Dornelas Baldios groups which manage some land on behalf of the community, to explain the revisions made to the Project and included meetings where the local community was present. Many views were expressed at these meetings and Savannah have taken them in consideration and remains open and available for further engagement with all stakeholders.

These meetings are part of the significant efforts the Company is making to meaningfully engage with the local communities. In 2022, we increased the number of information centres in the area with shop space taken in the centre of Boticas town and we were pleased to recruit new staff from the local population to staff the centres and to represent Savannah in the community. We continued to give preference to local suppliers of goods and services wherever possible, and to provide support to local groups and events including the local fire service. We also commissioned Community

Insights Group (CIG), the highly experienced social performance consultancy, to produce a Social Impact Assessment (the 'Assessment' or the 'SIA') in relation to the Barroso Lithium Project. The SIA will provide Savannah with a clear assessment of the range of views that exists among stakeholders towards the Project and the Company, as well as the expectations and preferences that stakeholders have for benefit sharing from the Project. The first phase of the Assessment, saw CIG representatives spending time in the area during the Autumn conducting interviews with local residents. The outcome of this phase was a 'Social Issues Scoping Report' which was submitted to APA as part of Savannah's revised EIA submission. The findings in this report demonstrated both local residents' concerns about the impact of the Project and their appreciation of the potential for the Project to generate jobs and to make the area more accessible. Savannah can use these findings to shape its current and future communication with stakeholders now that the revised EIA has been resubmitted and its details made public.

- **GIAHS area & status:** Savannah believes that the Barroso Lithium Project can help to mitigate some of the threats which were identified to the development and maintenance of the agricultural characteristics of this region in the Action Plan included in the area's original GIAHS application. It should be noted that the GIAHS classification was awarded by FAO in 2018, some 12 years after the Mining Lease was awarded and mining operations commenced, so it would seem reasonable to conclude that the FAO were satisfied that a mining operation, as well as other local industrial activities such as quarrying would not materially impact the area's unique agricultural system.
 - These threats include:
 - The area's ageing demographic: By creating over 200 direct jobs and potentially hundreds of indirect and induced jobs in the area, Savannah will be creating an economic and social foundation for the region, which will allow young people and people of working age to remain in the local area, and attracts others to the area.
 - The robustness of the local economy: The Project would represent a major new source of demand and income for the area. Academics at the School of Economics and Management of the University of Minho estimate that the Project could more than double the tax income for the Boticas Municipality. Savannah has always preferentially bought goods and services locally whenever possible, and the Project would represent a major new demand centre for goods and services, including locally produced food.
 - Danger of forest fires. Savannah has already provided support and donations to local firefighters and would continue with this practice as well as making its water storage facilities available for fighting future fires.
 - Furthermore, the Company is proposing as part of its Benefit Sharing Plan to create a foundation which would receive €0.5m/year from the Project that could be put towards community-related initiatives as selected by the foundation's committee, which would include community representatives. Savannah could also make further positive contributions to the greater appreciation for the area's agricultural heritage by supporting other initiatives outlined in the Action Plan (see response to concerns about the loss of traditional livelihoods above).

Appendix 3 – Environmental Licencing Process

- The initial EIA for the Project was submitted to APA in May 2020, and a public consultation period was initiated on 22 April 2021 and was due to close on 2 June 2021, but was extended by APA until 16 July, making for a 12 week (60 working days) public consultation period.
- As announced by the Company on 6 July 2022, Savannah agreed to APA's proposal that the review process on the Project's EIA should enter the additional 'Article 16' phase as outlined in Decree-Law no. 151-B/2013 of 31 October. Under Article 16, Savannah had until 17 March 2023 to revise and resubmit the Project's Environmental Report, Mine Plan and associated documentation and APA would then have 50 business days to review the resubmission and provide its Environmental Impact Statement ('DIA') on the Project. Savannah submitted the revised EIA on 16 March 2023, and APA has until 31 May 2023 to issue its DIA.
- Savannah is aware of the case submitted to the Aarhus Compliance in May 2021 in relation to requests made to APA and Direção Geral de Energia e Geologia (DGEG) by interested parties for the provision of environmental information relating to the Project.
- On 17 March 2023 Savannah arranged a community meeting in Covas do Barroso via the Local Parish Council and Baldios. The meeting was attended by approximately 70 to 80 people and the Savannah team explained the revisions made to the Project and to discuss land access and associated benefits and compensation schemes. Attendees expressed a range of views at the meeting and Savannah was grateful for the opportunity to present the Project, including how it plans to minimise the environmental and social impact of the Project and to operate in accordance with all relevant regulations and laws. A similar meeting was held in the Parish of Dornelas on 26 March 2023. Savannah remains open and available for further engagement with all stakeholders.
- On 22 March 2023, APA made public the EIA documents and initiated a 10 business day public consultation period on the revised EIA.
- On 3 April APA announced that it would be extending the public consultation period by a further 10 business days (making 20 days in total), which Savannah welcomed. The revised public consultation period ended on 19 April 2023 and during the whole process there were a total of 80 business days for public comment on the Project.
- In recognition of the fact that the Environmental Report, Mine Plan and associated documents submitted to APA for consideration are lengthy and technical in nature, Savannah produced the following materials in Portuguese (and English) for stakeholders:
 - a Community Information Sheet (6 page document) summarising the Project and highlighting the features of the revised design which were included in response to previous feedback received from stakeholders. This document was mailed to every household in the Boticas Municipality following the publication of the EIA by APA, and is also available from our local Information Centres and [online](#).
 - A series of 17 Fact sheets, which cover specific aspects of the Project's design, operation, rehabilitation, and commitments to creating and sharing socio-economic benefits with stakeholders. These sheets are available at our local Information Centres and [online](#).

A new video featuring key information about Savannah and the Project as well as computer generated images of the Project during its operating phase, rehabilitation, and subsequent closure.

Appendix 4 –Positive environmental and social aspects of the Project

Social

- Training and Education:
 - dissemination actions to the community on environmental and safety standards and precautions.
- Transport, Access & Mobility:
 - Opening of new roads that will significantly improve public access to the region benefiting economic growth and freedom of movement.
 - Rehabilitation of old roads and accesses.
 - The acquisition of a fleet for public transport of the population is envisaged. This support is intended in particular to renew the public transport fleet (4 vehicles) and to purchase a minibus for Santa Casa da Misericórdia, making it easier for the population that depends on this means of transport to travel.
- Improvements to local buildings & infrastructure:
 - Houses (e.g., introduction of thermal insulation, heating, window replacement), municipal facilities, other buildings, and equipment to be rehabilitated.
 - Improvement/increase of the supply of infrastructures and equipment necessary for the Project will also benefit local stakeholders (water and electricity networks, among others).
- Health:
 - Support for the acquisition of a mobile health unit will be considered, as well as the requalification of the current Boticas Health Centre and the guarantee of medical support 365 days/year, through the contracting of permanent medical support.
- Social Support:
 - Support initiatives for young people, individuals and families in need and the elderly. This would include the attribution of study grants, the promotion of free-time activities through the construction of an Activities Centre, the widening of the Wi-Fi network to other locations (besides Boticas), subsidies for individuals and annual support to the Boticas Day Centre, in order to make the services provided by it available to a larger part of the population (who, due to lack of financial means, do not use this entity).
 - Provision is also made for the delivery of goods, co-payments, or subrogation in the payment of essential services to families in need, and in the area of birth incentives for residents, the award of direct (monetary) and indirect support in the form of subsidies for the maintenance of crèches and nurseries.
- Post Project closure support: Maintenance of the structures created for the enjoyment of the local population after the Project's closure.

Biodiversity & Nature Conservation:

- Implementation of the Wolf Monitoring Plan.
- Carrying out environmental awareness campaigns in educational establishments in the municipality of Boticas, with the aim of informing about the problem of wolf conservation and nature conservation in general, in this region.
- To support the Nature and Environment Protection Service of the Republican National Guard.

- Renaturalisation with native bush and tree species (e.g., *Quercus pyrenaica*) and improvement or recovery of vegetation cover.
- Promote the reforestation of areas surrounding the Project in order to compensate for the loss associated with the implementation of the Project, articulated with the Landscape Recovery Plan.
- Control of invasive species that appear on the Project and adjacent areas.

Rivers & Waterways:

- Commission a study for the Environmental and Landscape Requalification of the Covas River water body, in the municipality of Boticas and part of the Beça River water body up to the confluence of the Covas River, in the municipality of Ribeira de Pena.
- Recovery and conservation of riparian woodlands associated with water bodies, to be identified in the aforementioned study.
- Recovery, clearing and cleaning up of the beds and banks of the water courses identified in the study to be carried out, using natural engineering techniques.
- Development of an agreement with APA, in which Savannah will commit to help in all the studies/works that are considered necessary by the competent authority, in order to achieve the objectives of the Water Framework Directive to obtain the "good" status in the Covas River water body.

Water management:

- Transporting water from clean water reservoirs to supply the population during periods of drought.

Civil Protection & Firefighting:

- The reinforcement of water points will be guaranteed by the improvement or construction of infrastructures for the efficient storage and additional supply of water for fire-fighting. The improvement or construction of tanks or ponds for fire-fighting, but also for private use, such as irrigation, will be those that may be identified as necessary in the Municipal Forest Fire Defence Plan of Boticas, for the parish of Covas do Barroso and the parish of Dornelas.
- Planning to reduce the risk of fires (support for cleaning up and environmental recovery of forests) and support to renew the material and equipment for the Boticas Fire Brigade.

Agriculture & Rural Development:

- Providing livestock guarding dogs to livestock farmers. Monitoring the development of the dogs, support in veterinary care and in feeding the dogs during the breeding period.
- Support for livestock breeders in improving the conditions for the protection of domestic animals.
- conversion of scrubland or abandoned agricultural areas into areas of pasture lands / agricultural use.
- In parallel with the Agricultural and Livestock Plan for Barroso Breed Cattle and other Breeds, Savannah would develop support programmes for the dissemination and protection of Barroso meat and compensation for wasteland income.
- Support for Rural Tourism Development Plans including:

- the renovation and rehabilitation of the Boticas camping site
- the attribution of annual support to the European Centre for Documentation
- interpretation of Castreja Sculpture
- the Nadir Afonso Foundation
- annual support attributed to the municipal auditorium
- The purchase of products from local producers will also contribute to the development of productive activities.

Heritage

- Savannah would develop several programmes on the themes of environmental, built, and cultural heritage including:
 - tree-planting projects
 - projects for the recovery of native species
 - projects for the rehabilitation of spaces with unique or exceptional environmental value, improvement
 - projects for the recovery of cultural heritage
 - projects for the requalification of population centres and public spaces
 - promotion of proximity purchases and valorisation of local products

Economy & Employment

- Direct employment: The Project has the potential to create over 200 direct jobs when operating and over 300 in the construction phase.
- Indirect & Induced employment: Academics at the School of Economics and Management of the University of Minho estimate the Project could create around 2,000 additional indirect or induced jobs by the demand it creates for goods and services.
- Development of:
 - a local entrepreneurship programme with a view to granting support for job creation.
 - vocational training scholarships
 - support programmes for the development of tourism projects in the region
- Priority is also guaranteed to companies in the region (ceramics or others) in the use of by-products of the mine's activities, thus contributing to the enrichment of the region.
- Preferential purchasing by the Project of local materials, products, and services whenever possible.
- The accommodation of the Mine's employees in local housing.