

Syrah Resources: In Production, Focussed on Value

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Syrah Resources: The only major new supplier of natural graphite

First mover advantage – operations commenced

- First production November 2017
- Customer shipments commenced January 2018
- First revenue received February 2018

Largest natural graphite producer

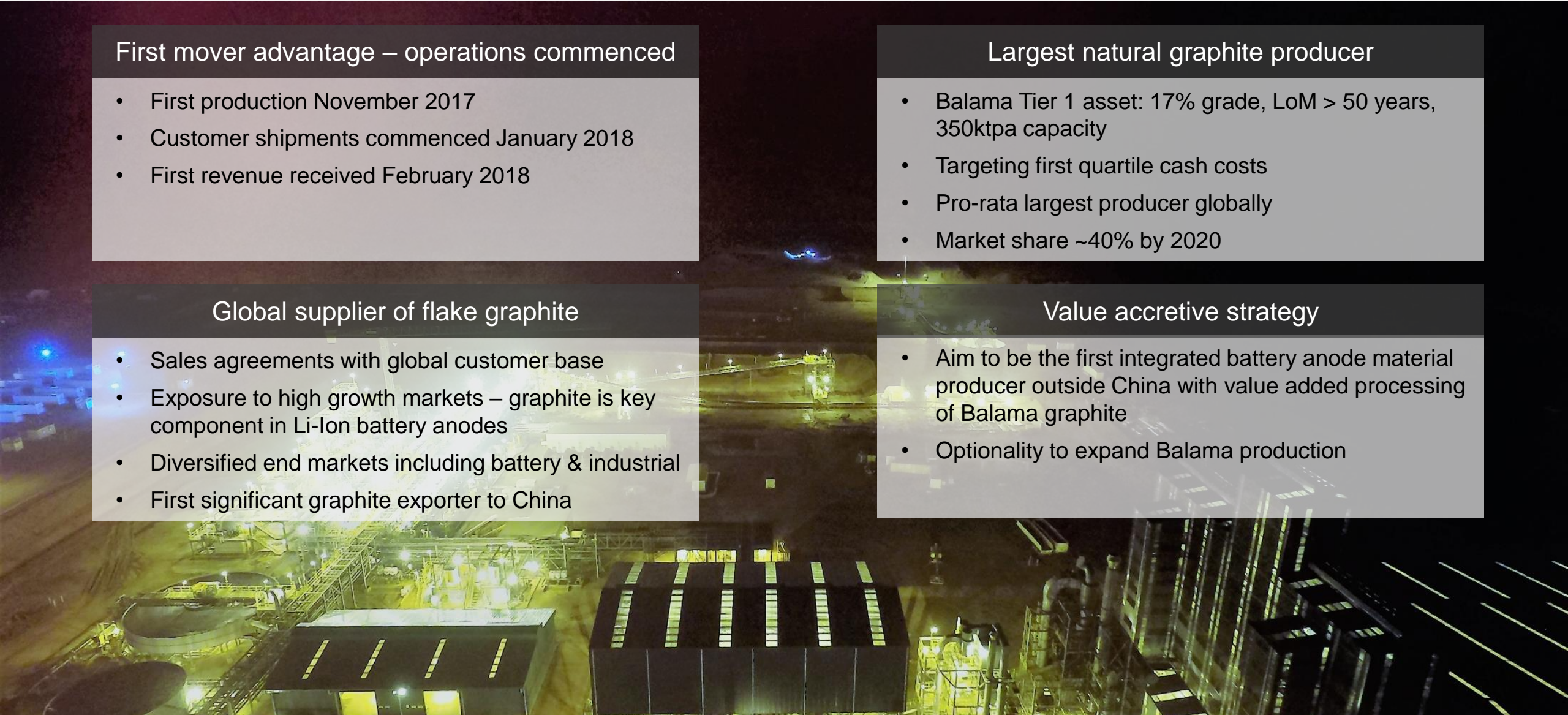
- Balama Tier 1 asset: 17% grade, LoM > 50 years, 350ktpa capacity
- Targeting first quartile cash costs
- Pro-rata largest producer globally
- Market share ~40% by 2020

Global supplier of flake graphite

- Sales agreements with global customer base
- Exposure to high growth markets – graphite is key component in Li-Ion battery anodes
- Diversified end markets including battery & industrial
- First significant graphite exporter to China

Value accretive strategy

- Aim to be the first integrated battery anode material producer outside China with value added processing of Balama graphite
- Optionality to expand Balama production



Balama Graphite Operation, Mozambique



Plant site



Primary crusher (overhead view)



Flotation cells



Polishing mills



Filtration



Drying, screening and bagging



First saleable bagged product November 2017



Loading product to truck to port

Corporate overview

Issued Capital

ASX Code	SYR
ADR	SRHYY
Shares issued	297.0m
Options	6.8m
Performance Rights	0.7m
Market Cap (undiluted) ¹	A\$1,035m (US\$810m)

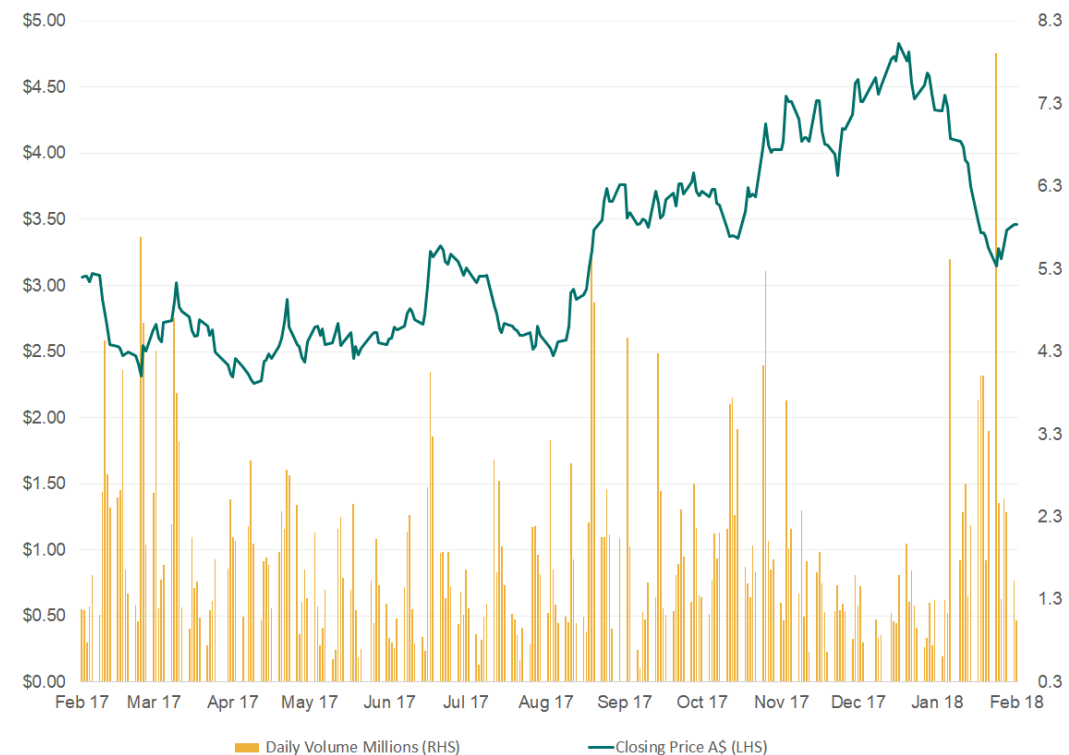
Cash and Debt

Cash as at 31 Dec 2017	US\$112m
Debt	-

(1) As at 22 February 2018

(2) Daily 12 months to 20 February 2018

Share Price A\$/share and volume²



Syrah's strategy is focussed on value; enabled by a world class deposit and fast growing market

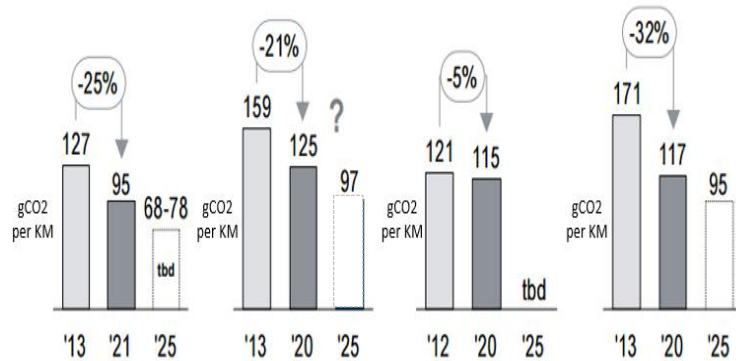
Goals	Logic	Enablers	Timing
Be the pre-eminent supplier of flake graphite	<ul style="list-style-type: none"> Industrial for baseload demand Lithium-ion battery market growth 	<ul style="list-style-type: none"> Low cost <US\$400/t, toward US\$300/t High quality 95%-98% Fixed Carbon Large volume 350ktpa 	<ul style="list-style-type: none"> Transitioned to operations 1 January 2018
Be the first integrated Battery Anode Material producer outside China	<ul style="list-style-type: none"> High value-add product First mover advantage Diversification in the global supply chain 	<ul style="list-style-type: none"> Electric vehicle market growth Energy storage Consumer goods 	<ul style="list-style-type: none"> 2018
Maximise value of other options	<ul style="list-style-type: none"> Large scale deposit Lithium-ion battery market growth Vanadium 	<ul style="list-style-type: none"> Expansion of Balama mine Battery anode material expansion Processing Vanadium 	<ul style="list-style-type: none"> Options under development

Our Values and People underpin how we execute our strategy

Deliver value for stakeholders and shareholders

Global public policy, infrastructure and industry investment continue to build for the electric vehicle market; >1 million EVs sold in 2017

Government regulations driving change in the auto sector to reduce emissions



Infrastructure build out continues to enable greater take up of electric vehicles

400 - 500 Tesla chargers in China in 2015



3,000 Tesla chargers in China today

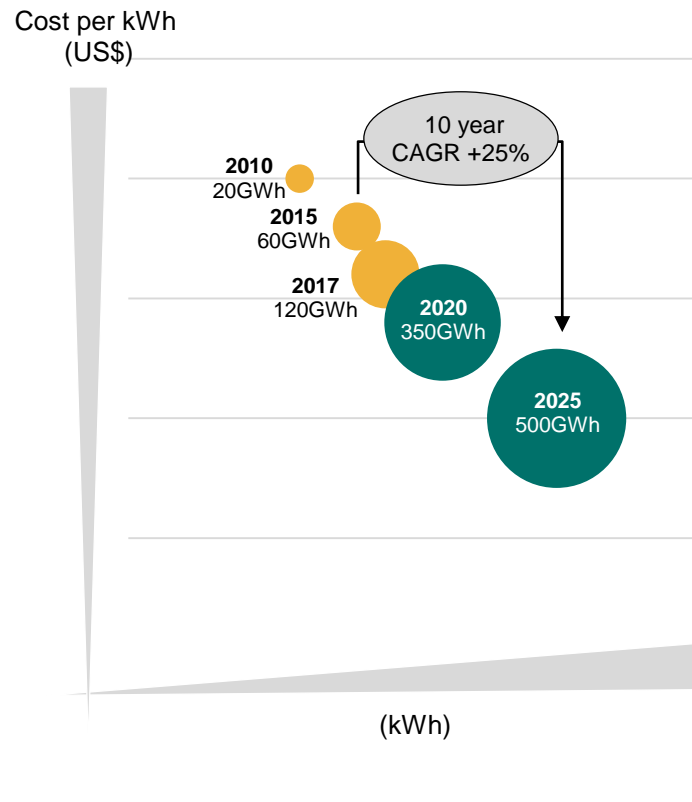


All traditional auto makers are now targeting EVs

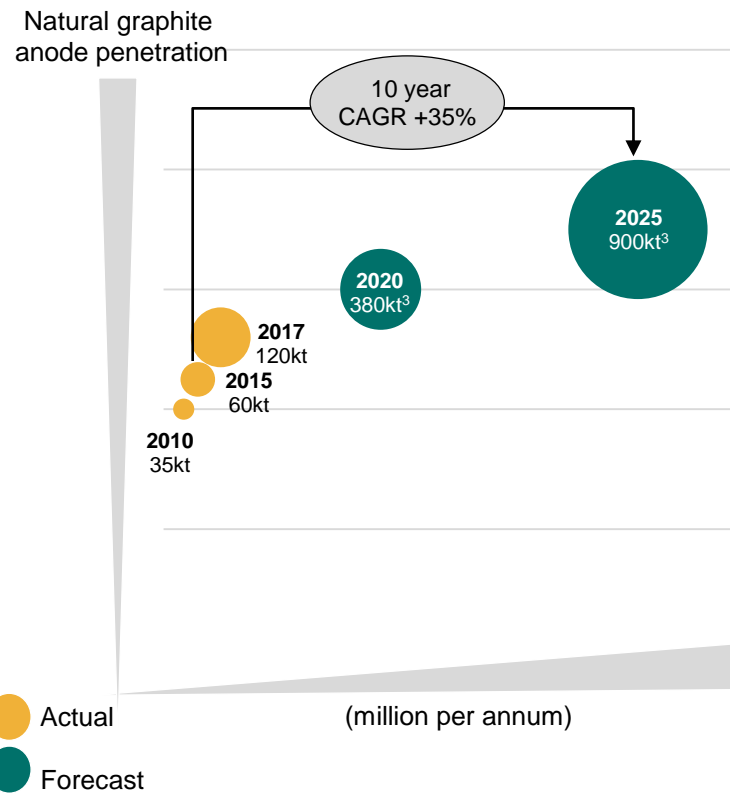
- Invest up to \$24 billion to produce more than 3 million EVs pa by 2026
- Has sold 100,000 EV/PHEV in each of the last 3 years
- EVs to be 15-20% of sales by 2025
- All sales to be EV/PHEV by 2019
- 50% of sales to be EV/PHEV by 2020
- 80% of core models to be EV/PHEV by 2023
- 20% of EU sales to be EV/PHEV by 2020
- 65% of all sales to be EV/PHEV by 2030
- 31 new models and 300,000 EV/PHEV sales by 2020
- Partnering with Nissan/Renault to launch 12 new EV/PHEV models by 2022
- 10 EV/PHEV models by 2020
- 13 EV/PHEV models by 2022, including F-150 hybrid

Lithium ion battery market expected to grow to 500GWh in 2025, from 120GWh in 2017; impact on flake graphite significant and imminent

Larger and lower cost lithium batteries¹



Flake graphite demand from lithium-ion batteries²



Drivers of demand for natural graphite

- 1 Increased lithium ion battery production
- 2 Larger batteries in electric vehicles
- 3 Anode material with more natural graphite

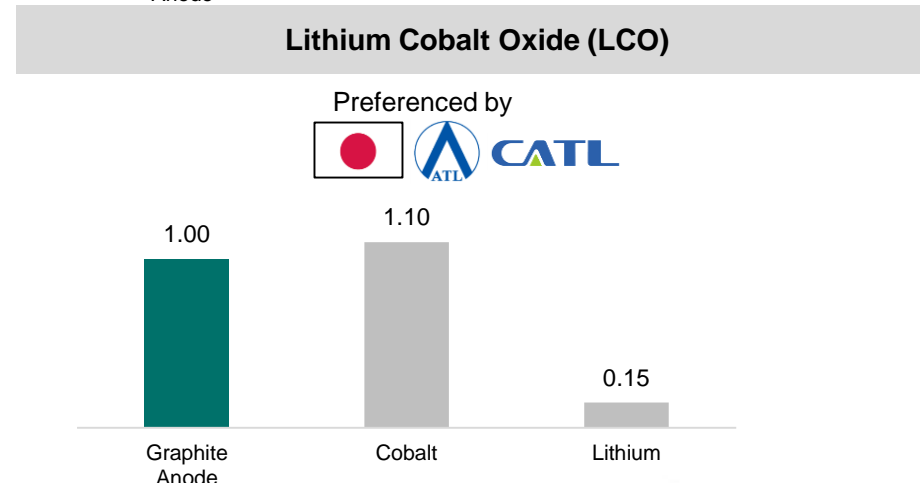
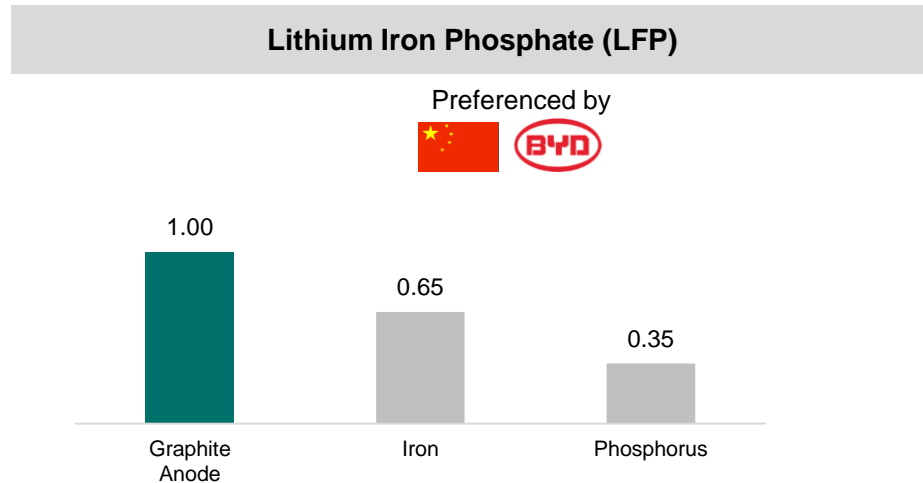
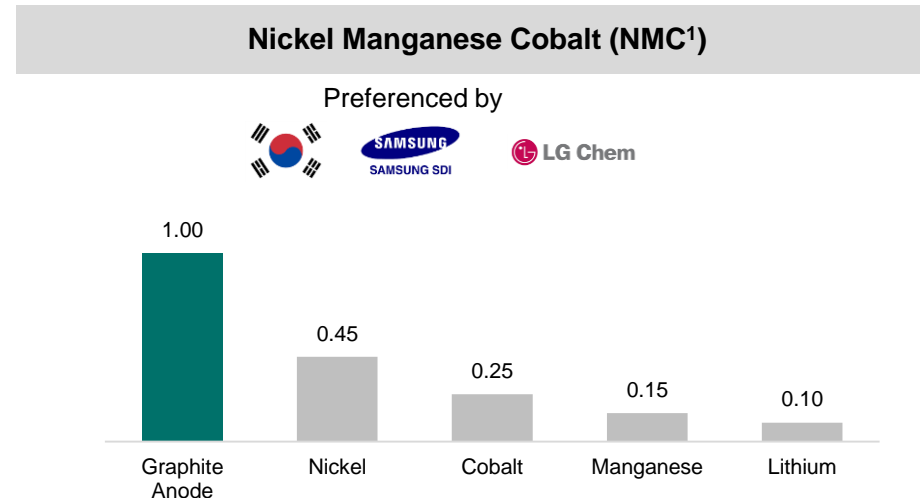
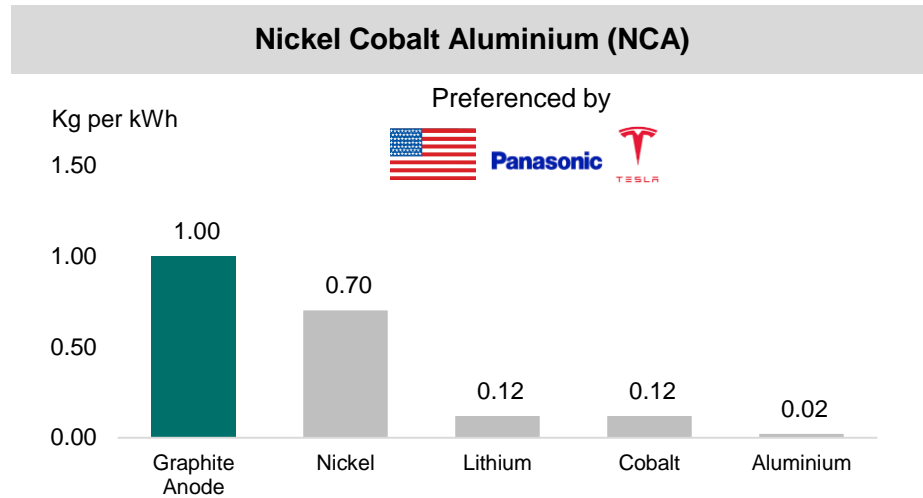
Source: Syrah Resources, Bernstein

(1) Bubble size representative of energy demand for lithium ion batteries (CCC, EV, ESS) measured in GWh

(2) Bubble size representative of market size measuring in kt

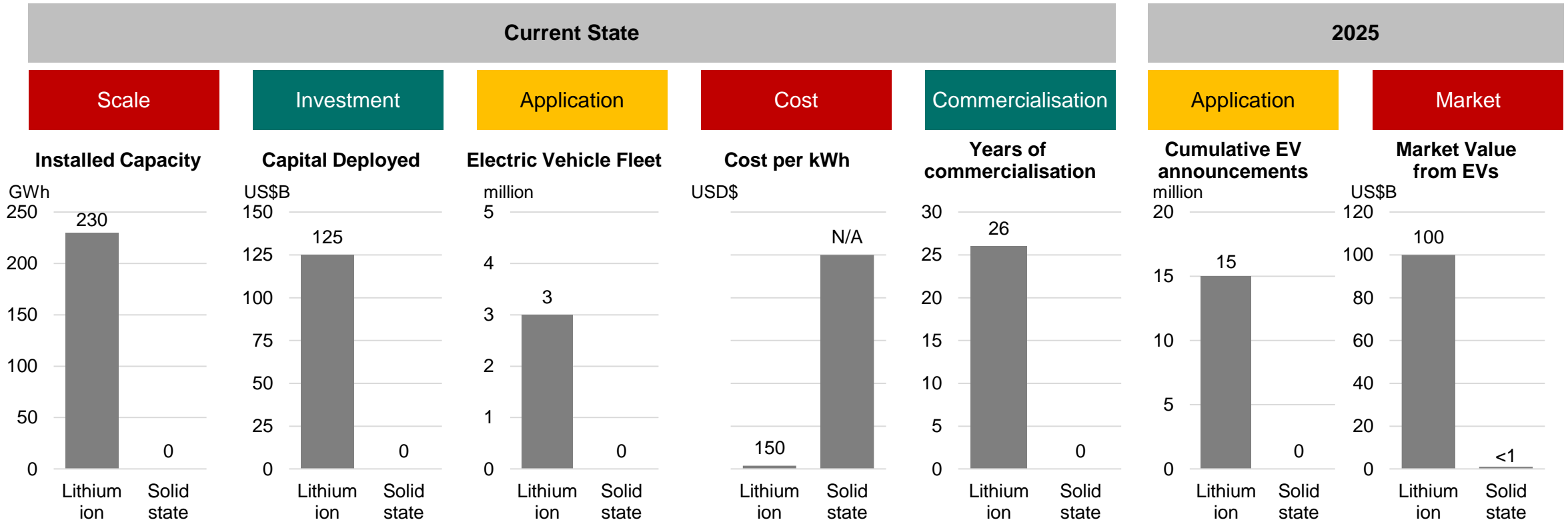
(3) Syrah Resources mid case

Graphite anode mass in Li-ion battery per kWh is consistent and agnostic of cathode chemistry



Source: Syrah Resources
 Each kg of natural graphite anode material requires >2kg of natural flake graphite
 (1) NMC 523 Chemistry

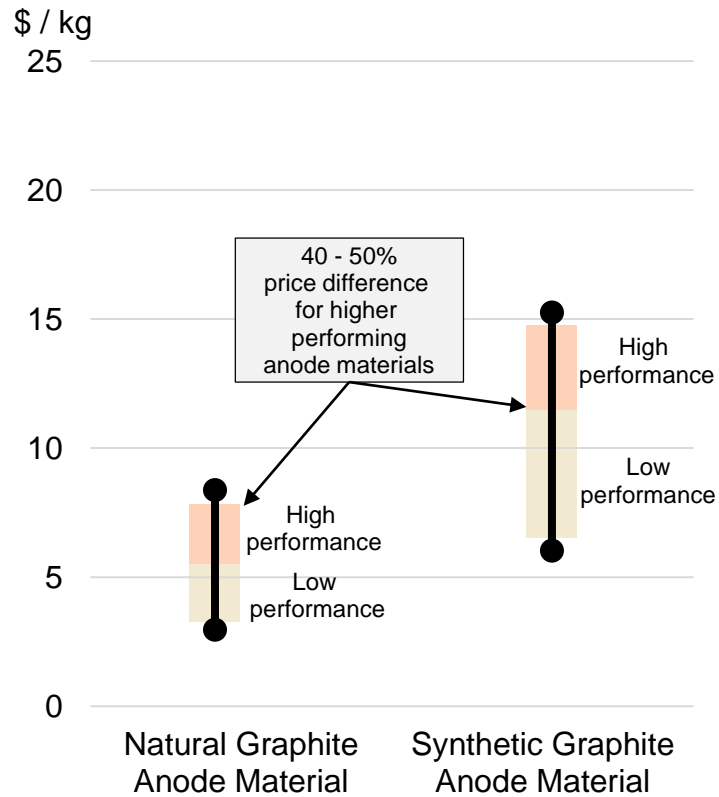
Scale and economics mean lithium ion battery technology likely to remain the base load of energy delivered to meet future demand from electric vehicles



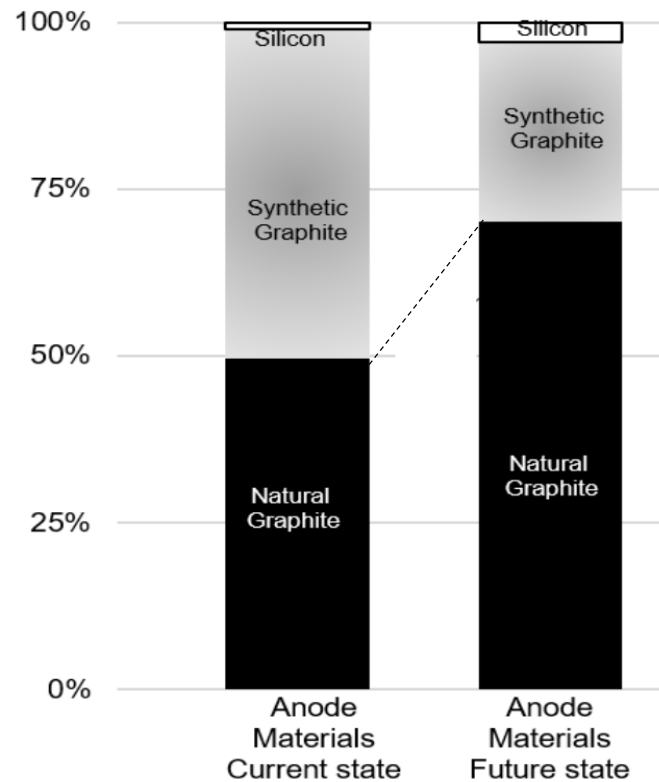
Whilst solid state batteries are theoretically attractive, they remain unproven, uncommercialised and uncompetitive with lithium ion batteries

Increased penetration of natural graphite in anode material supports future demand and prices for natural graphite; facilitates reduction in battery costs

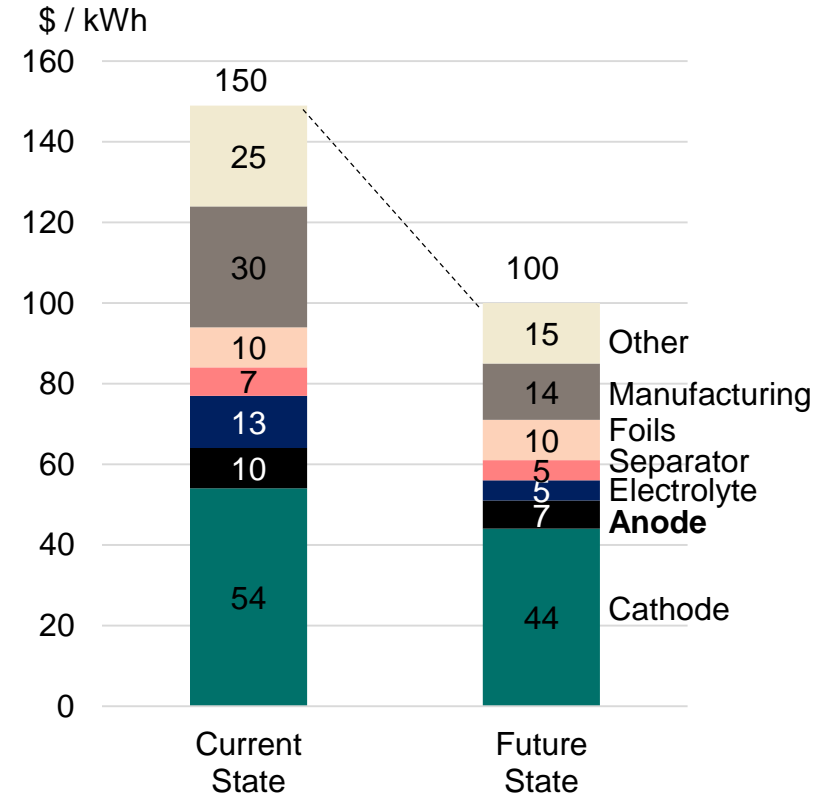
Significant difference in prices for natural and synthetic graphite anode material



Greater use of natural graphite expected

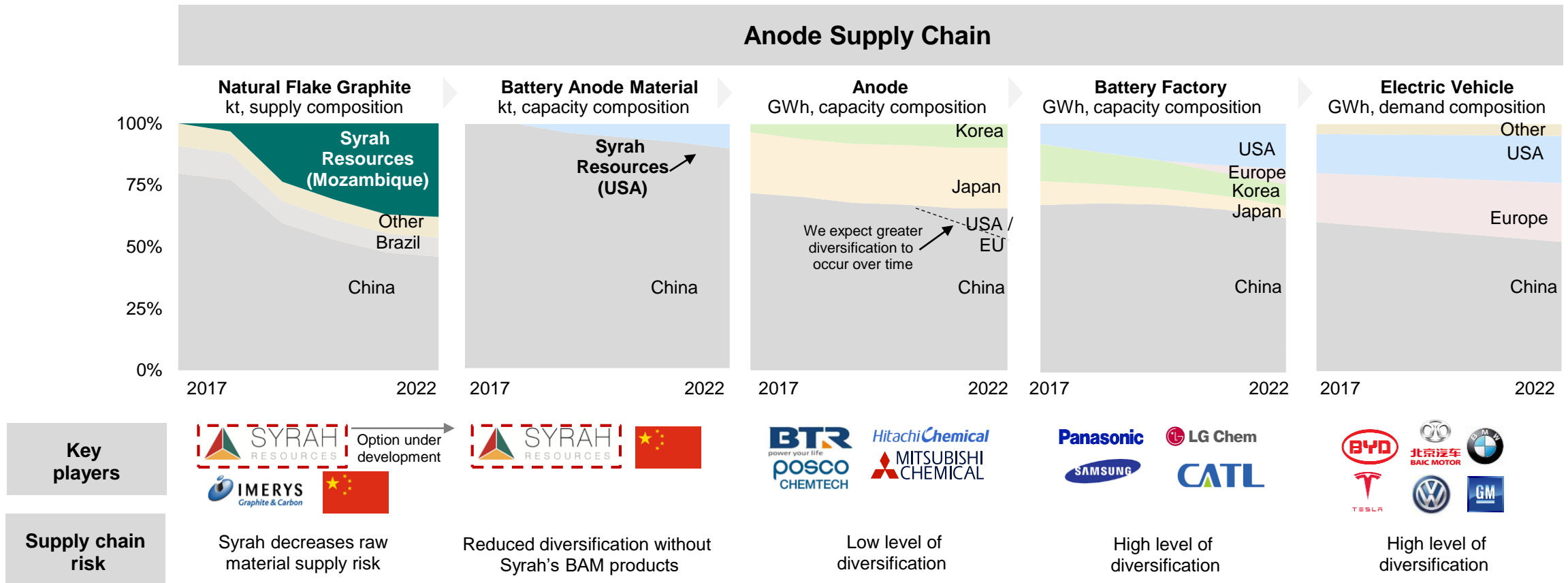


which will assist in overall battery reduction costs








Source: Syrah Resources, Bernstein

Syrah's BAM production will provide a strategic and valuable alternate source of anode material



Source: Syrah Resources

How much natural graphite is in an electric vehicle? It depends on battery size and natural graphite content in the anode material

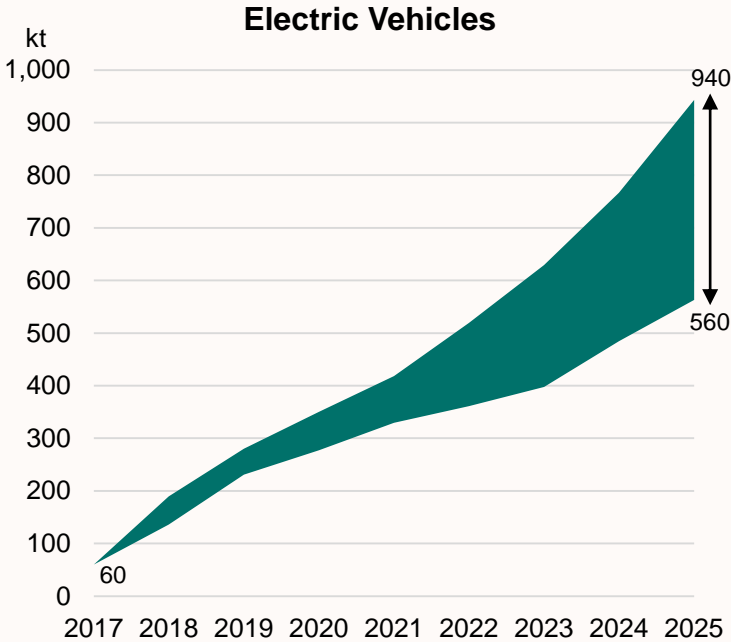
	2017 unit sales (global, thousands)	Lithium ion battery size	Anode Material per unit (natural & synthetic combined)	Natural Flake Graphite per unit (40 - 50% yield per kg of anode material)
Plug in Electric Vehicle 	~400	5 - 20kWh	5 - 20kg Balanced proportion of natural and synthetic graphite	10 - 30kg
Full Electric Vehicle 	~400	30 - 45kWh	30 - 45kg Balanced proportion of natural and synthetic graphite	35 - 50kg
Electric Commercial Truck 	~120	40 - 70kWh	40 - 70kg Balanced proportion of natural and synthetic graphite	40 - 80kg
Premium Electric Vehicle 	~150	75 - 100kWh	75 - 100kg Higher proportion of synthetic graphite	40 - 50kg
Electric Bus 	~105	150 - 350kWh	150 - 350kg Balanced proportion of natural and synthetic graphite	150 - 380kg

Source: Syrah Resources

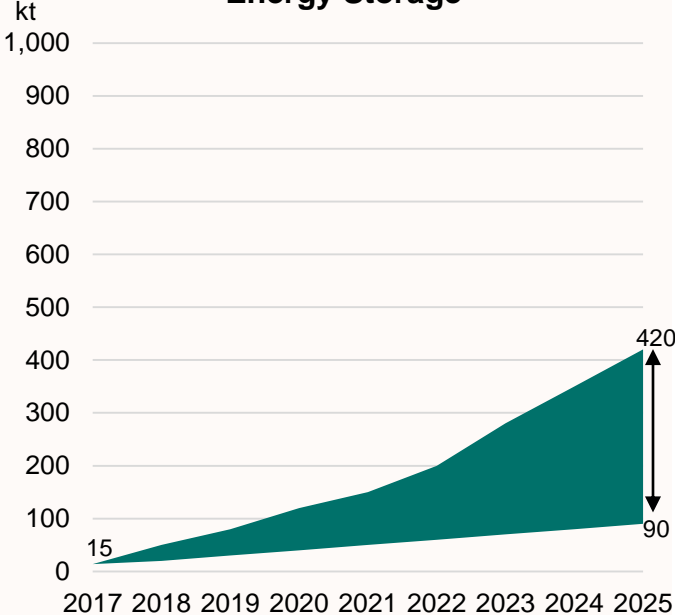
New markets provide major demand growth opportunity for natural flake graphite; Mature markets base load of demand but with lower demand growth outlook

Natural Flake Graphite Demand

New Markets

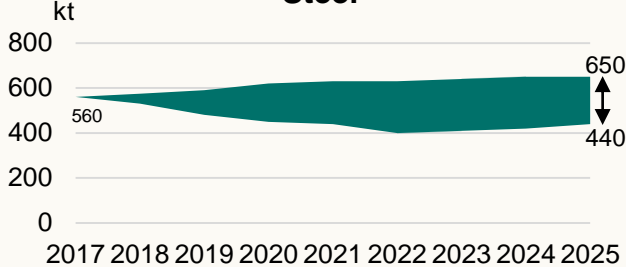


Energy Storage

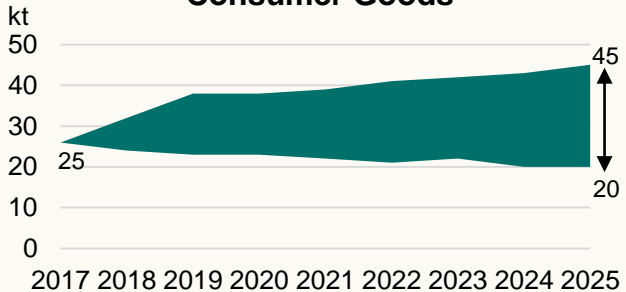


Mature Markets

Steel



Consumer Goods



New markets are highly dependent on reduction of battery costs, government regulations and change in consumer preferences; demand growth outlook is exceptional

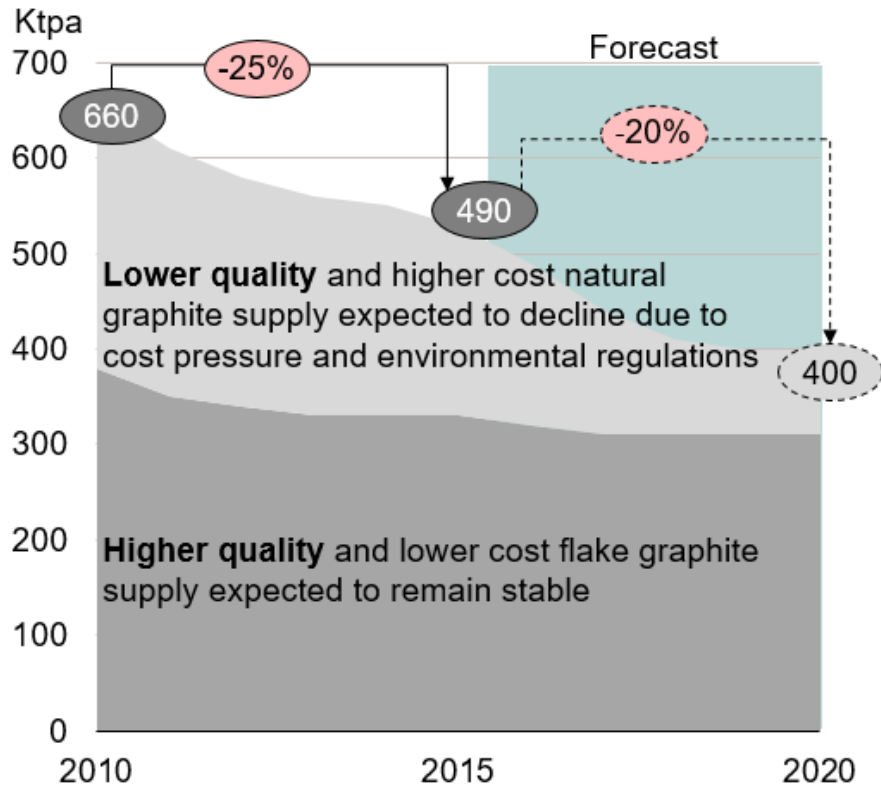
Mature markets are well established and offer low demand growth potential

Source: Syrah Resources
 Notes: Steel sector includes refractory bricks, foundries, crucibles and recarburiser

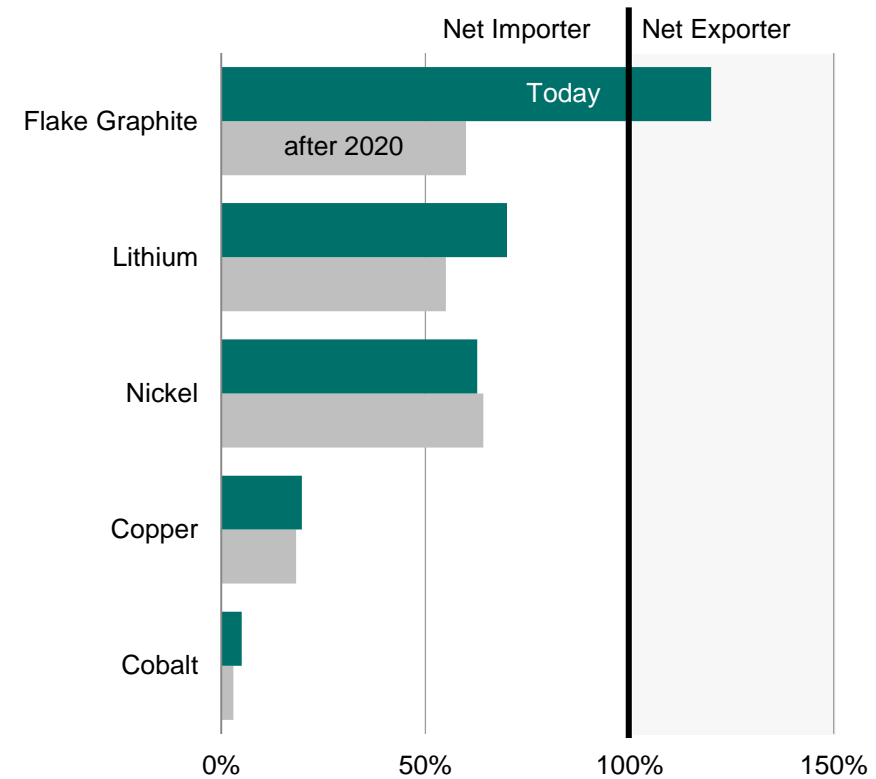


China's demand profile and declining domestic graphite resources means a structural change to a net importer of natural graphite will occur

China's domestic supply of natural flake graphite has been declining due to resource depletion and environment improvement



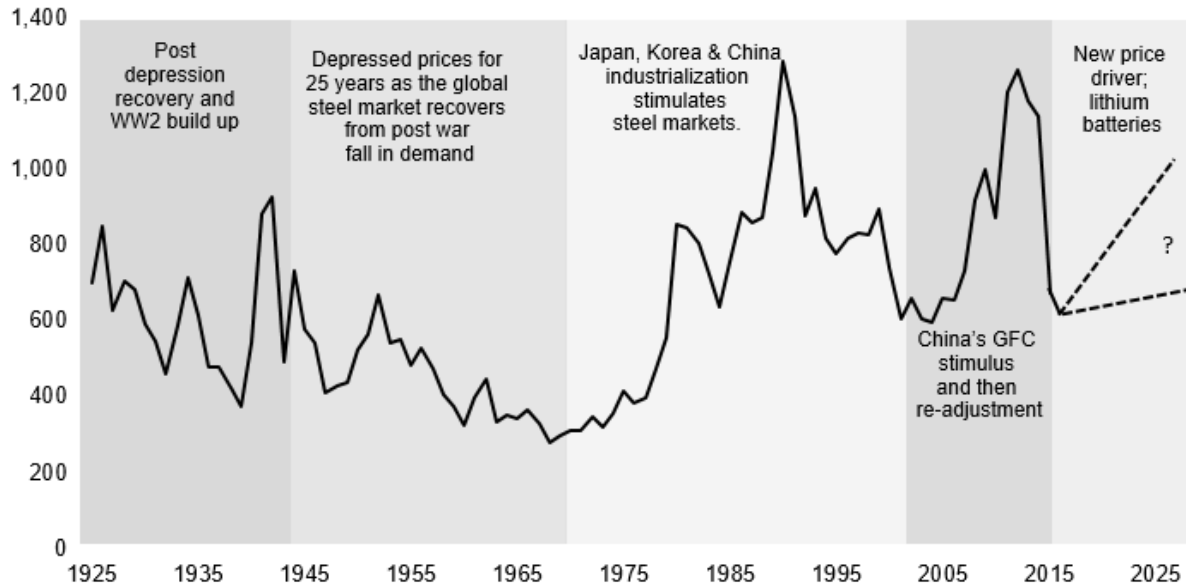
China's switch from an exporter to importer of natural will permanently and structurally change the market dynamics



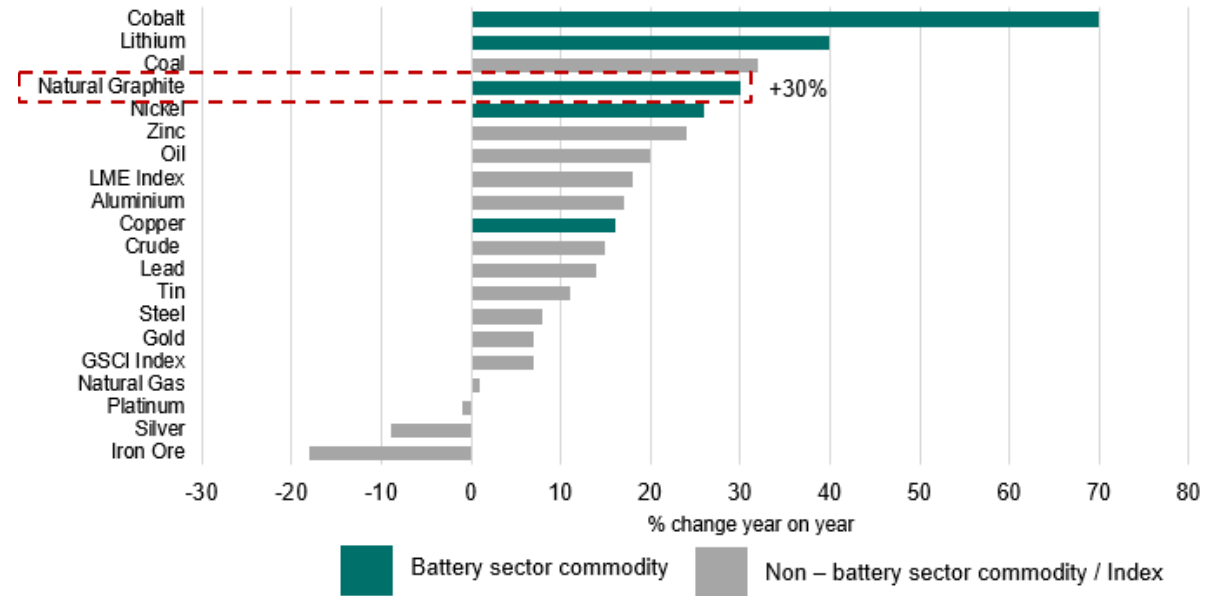
Source: Syrah Resources, Woodmackenzie, CRU, Metal Bulletin

Natural graphite price traditionally driven by steel market dynamics; more recently has moved in sync with other lithium ion battery linked commodities

Long term historical natural graphite price¹



Commodity basket price movements in last 12 months²



Source: Bloomberg, Trading Economics, USGS, Syrah Resources

(1) USD, real in 2016 terms

(2) Prices as of 21 Feb 2018

Largest capacity, high and consistent quality, and a long life asset enables Syrah Resources to be the global graphite leader

Unprecedented capacity

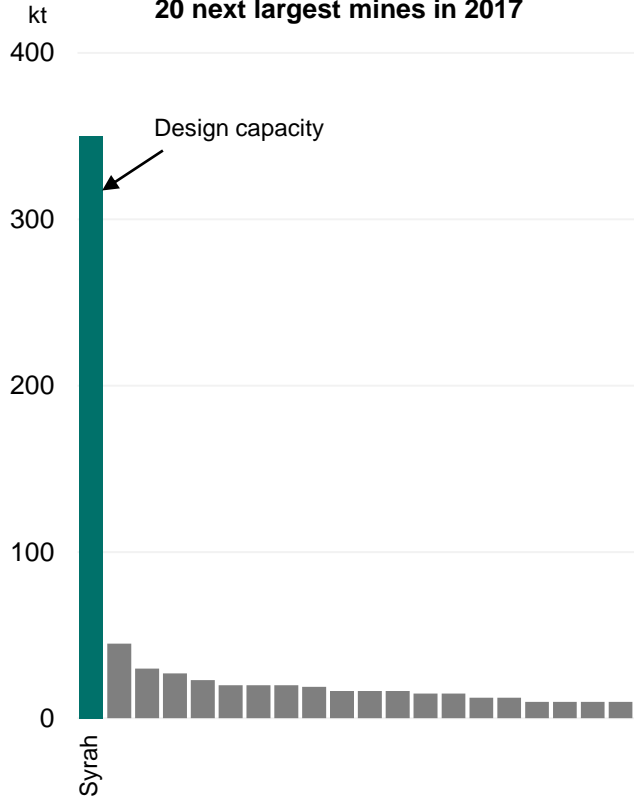


World class ore grade

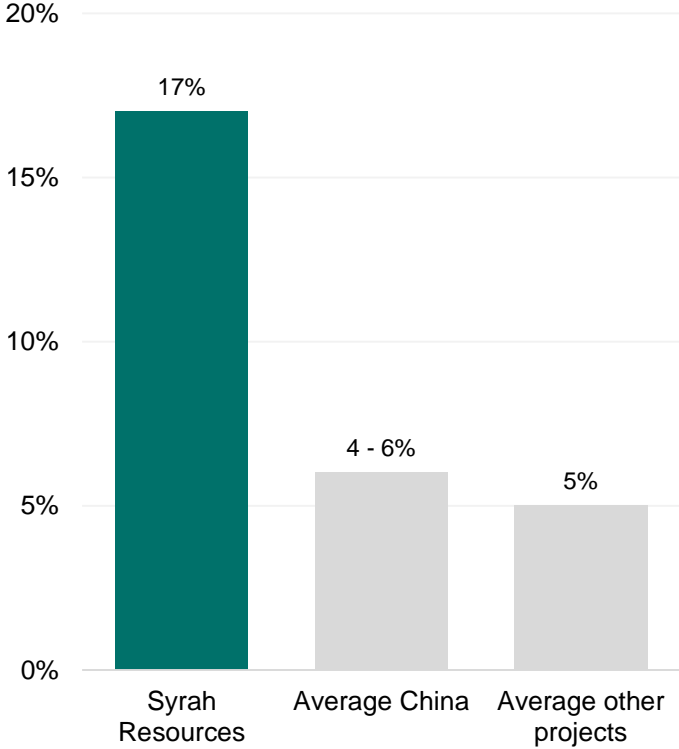


First quartile position

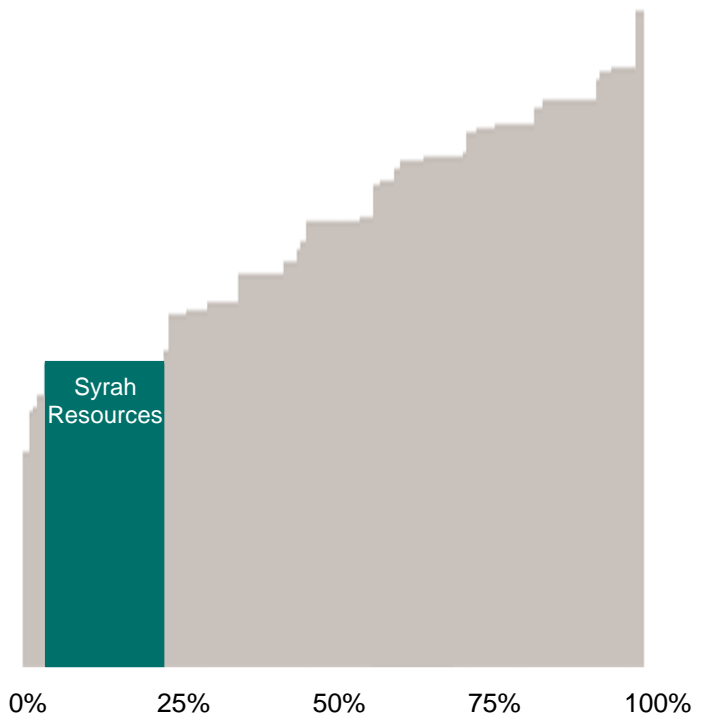
Syrah capacity versus 20 next largest mines in 2017



Total Graphitic Carbon



Flake Graphite Cost Curve: 2018

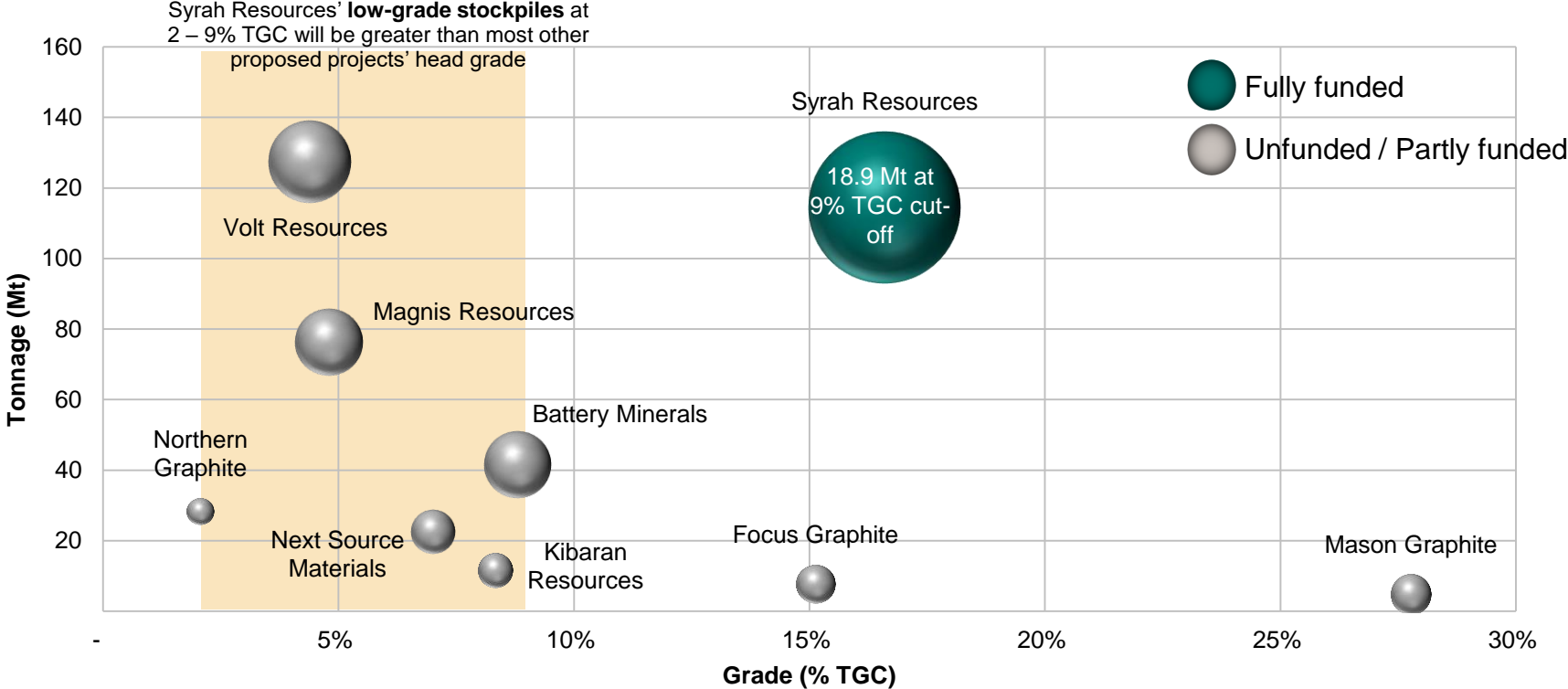


Source: Syrah Resources



Syrah's high grade Balama deposit has the largest defined graphite reserve globally; only major new project in operations

Graphite Reserves



Source: Company filings as at September 2017
 Notes: Selected ASX and TSX listed graphite projects only and excludes Chinese producers. TGC = Total graphitic carbon

Bubble size is representative of latest reported contained graphite reserves
 Cut-off grade for Northern Graphite (Ontario, Canada) is 0.96% TGC
 Cut-off grade for Volt Resources (Tanzania) is 1.29% to 1.76% TGC
 Cut-off grade for Magnis Resources (Tanzania) that aims for a 98% Cg concentrate grade at a production level of 240ktpa from a 5Mtpa concentrator
 Cut-off grade for NextSource Materials (Madagascar) is 4.5% TGC
 Cut-off grade for Battery Minerals (Mozambique) is 4% TGC
 Cut-off grade for Kibaran Resources (Tanzania) is 5% TGC
 Cut-off grade for Focus Graphite (Quebec, Canada) is 3.1% TGC
 Cut-off grade for Mason Graphite (Quebec, Canada) is 6% TGC



Summary

Syrah Resources

- Largest and one of the lowest cost and highest quality producers of natural flake graphite with up to 350ktpa capacity
- Strong demand profile outlook for natural graphite
- Signed sales agreements with traditional and battery market customers
- Opportunity to establish a core position in the battery supply chain through value added processing of Balama graphite for anode materials
- Syrah remains the only major new supplier of flake graphite to world's battery market