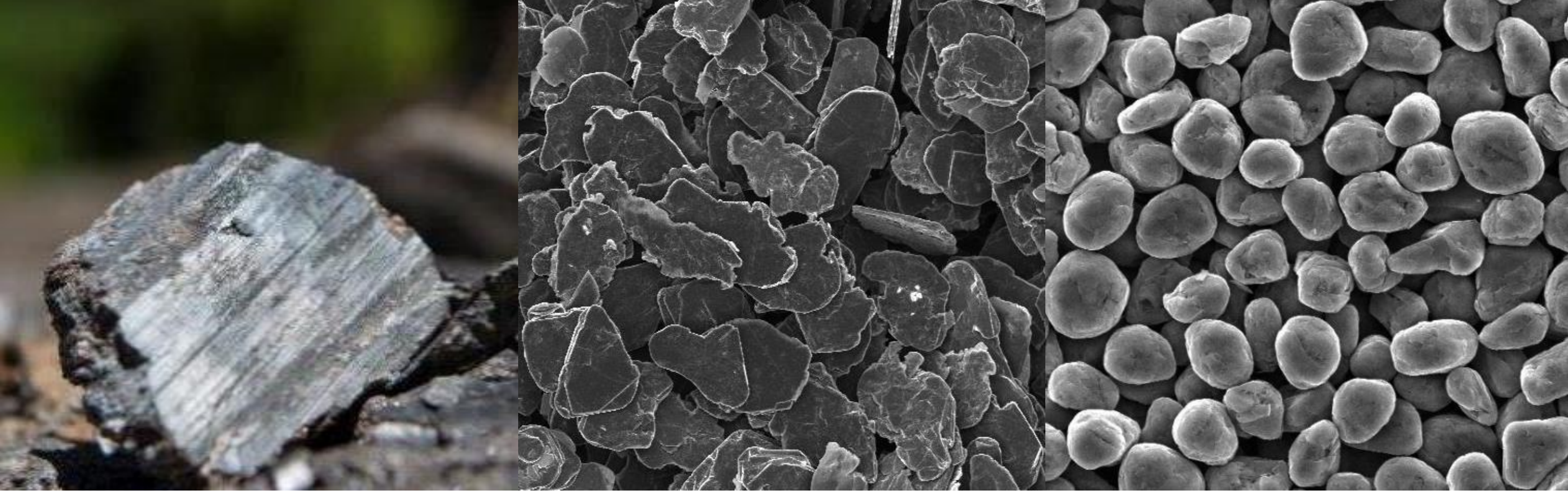


Syrah Resources and Graphite Market

Macquarie Bank Australia Conference, May 2018

Shaun Verner, CEO and Managing Director

SYRAH RESOURCES

Disclaimer

This presentation is for information purposes only. Neither this presentation nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. This presentation may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction. This presentation does not constitute financial product advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this presentation
are not intended to represent recommendations of particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

Certain statements contained in this presentation, including information as to the future financial or operating performance of Syrah Resources Limited (Syrah Resources) and its projects, are forward-looking statements. Such forward-looking statements: are necessarily based upon a number of estimates and assumptions that, whilst considered reasonable by Syrah Resources, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and may include, among other things, Statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, ore reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. Syrah Resources disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and other similar expressions identify forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Syrah Resources has prepared this presentation based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in the presentation. To the maximum extent permitted by law, Syrah Resources, its related bodies corporate (as that term is defined in the *Corporations Act 2001 (Cth)*) and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the Presentation Materials or its contents or otherwise arising in connection with it.

Corporate Background

Syrah Resources: 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
- 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




SYRAH RESOURCES

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	• Industrial for baseload demand • Lithium-ion battery market growth	• Low cost <US$400/t, toward US$300/t • High quality 95%-98% Fixed Carbon • Large volume 350ktpa	• Transitioned to operations 1 January 2018
Be the first integrated Battery Anode Material producer outside China	• High value-add product • First mover advantage • Diversification in the global supply chain	• Electric vehicle market growth • Energy storage • Consumer goods	• 2018
Maximise value of other options	• Large scale deposit • Lithium-ion battery market growth • Vanadium	• Expansion of Balama mine • Battery anode material expansion • Processing Vanadium	• Options under development

Our Values and People underpin how we execute our strategy

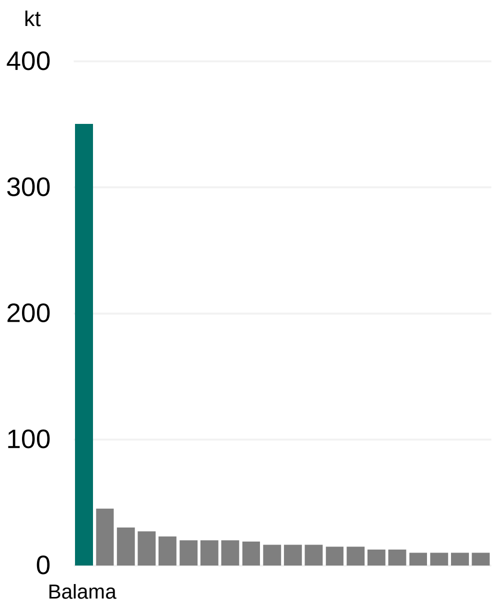
Deliver value for stakeholders and shareholders

SYRAH RESOURCES

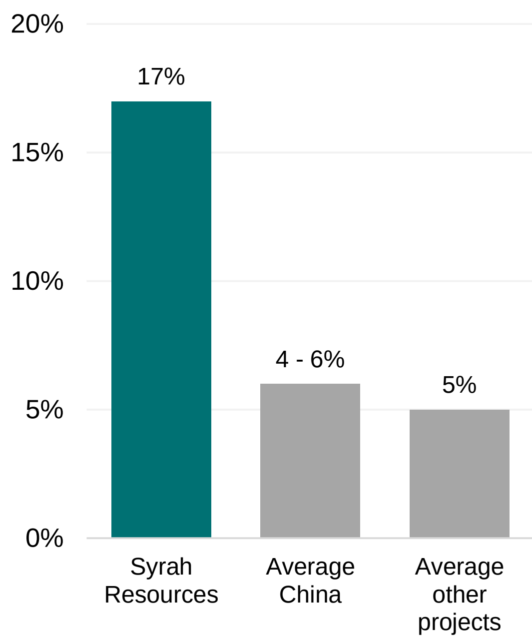
Largest capacity, high consistent quality, and a long life asset enables Syrah Resources to be the global graphite leader

Unprecedented capacity + **World class ore grade** = **First quartile position**

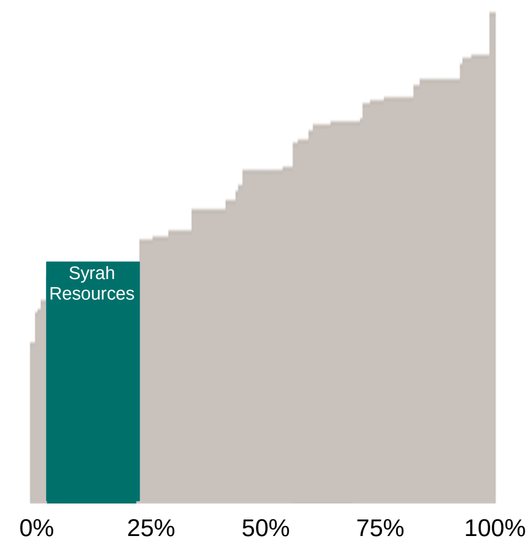
Mine Capacity



Total Graphitic Carbon



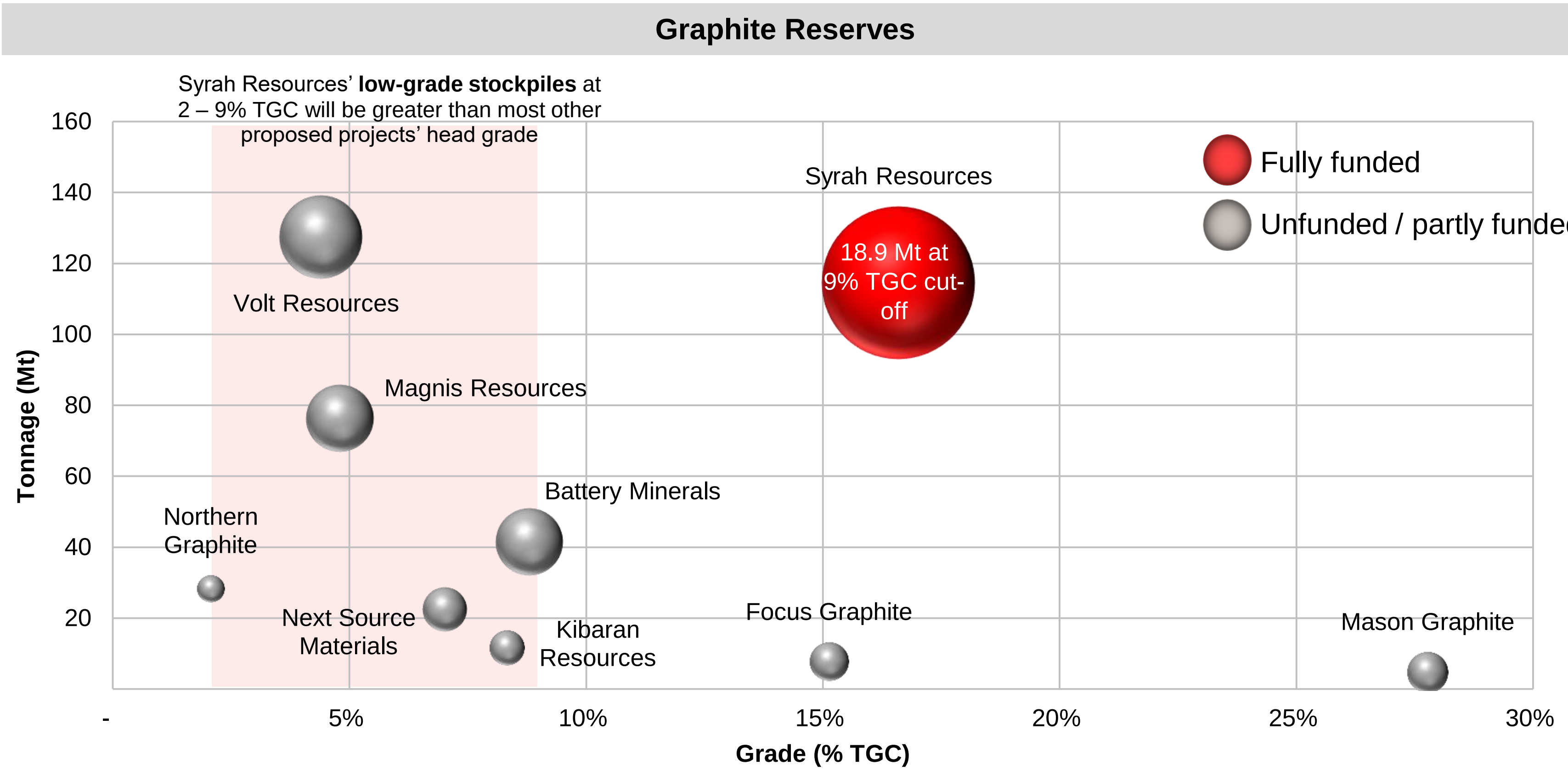
Flake Graphite Cost Curve: 2018



Source: Syrah Resources

SYRAH RESOURCES

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



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

SYRAH RESOURCES

Balama is a tier 1 asset

Commodity	Flake Graphite	Copper	Iron Ore	Zinc
				
Largest mine	**Balama** Mozambique	**Escondida** Chile	**S11D (Carajas)** Brazil	**Rampura Agucha** India
				
Market share	15 – 20% in 2018 35 – 40% at full capacity	~5% in 2017	~5% at full capacity	~5% in 2017

Source: Syrah Resources, Company Reports

SYRAH RESOURCES

Q1 2018 Highlights

Health, Safety and Community	- Strong safety record continues with Total Recordable Injury Frequency Rate (TRIFR) of 0.8 - President of Mozambique, His Excellency Mr Filipe Nyusi, officially opening the Balama Graphite Operation at an onsite inauguration in April
Balama Graphite Operation	- Fines dryer repaired and operational post quarter end, ahead of schedule - Q1 production of 11.2kt. Production below plan, current production rates improving with increased recoveries, plant throughput and stability to deliver significant uplift in daily production - Plant consistently producing carbon grade >95% and particle size distribution within specification - Targeting lower end of 2018 production guidance of 160,000 to 180,000 tonnes[1] - Cost base well positioned for C1 production costs <US$400/t by end of 2018
Sales and Marketing	- Sales and qualification shipments commenced in January to all major customer markets - Positive qualification feedback from > 20 customers across industrial and battery markets - Additional spot and term sales contracts settled in Q1, further contract negotiations well advanced - Basket price impacted by qualification shipments, higher fines production and China pricing - Higher basket price expected in H2 2018 given full sales and production profile, product consistency and grade premium
Battery Anode Material (BAM) Project	- BAM site Letter of Intent to purchase an industrial site in Vidalia, Louisiana with strong local community support - Positive results from testing reconfirm Syrah's BAM products have essential core properties required by global battery industry - Targeting production of first purified spherical graphite by end 2018 - Feasibility study to determine size and economics of potential larger commercial facility to be completed by end Q3 2018
Finance	- Cash on hand US$80.5m as at 31 March 2018 - Forecast cash balance end Q2 2018 ~US$55m - Timing of BAM major capital expenditure post site selection will be made in conjunction with Balama cash flow profile

(1) Refer to ASX announcements titled "Syrah finalises Balama Graphite study and declares maiden ore reserve" released on 29 May 2015, "Syrah increases Balama Reserves and awards Laboratory Contract" released on 15 November 2016. All material assumptions underpinning the production target in these announcements continue to apply and have not materially changed.

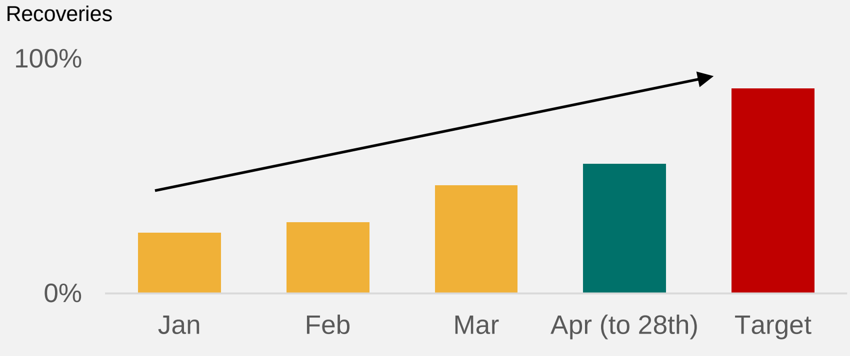
SYRAH RESOURCES

Balama Graphite Operation: Production rates improving

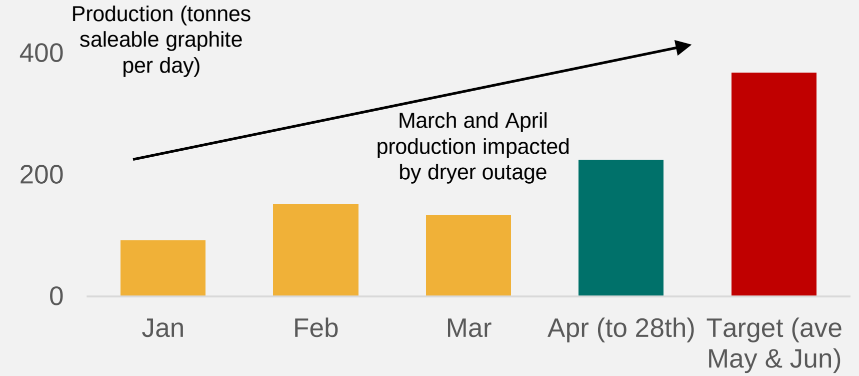
2018 Production 160kt – 180kt

- Targeting lower end of guidance 160kt to 180kt[1]
- Planned production ramp up 25% H1, 75% H2 – Q2 and H2 profiles broadly similar to original plan
- Operating costs in line with expectations, well positioned to achieve C1 <US$400/t[2] by end 2018
- Strong plant throughput performance post dryer repair, combined with continued improvement in graphite recoveries and improved plant stability positions the operation well for continued progressive production ramp up, with maximum daily production achieved in April of 470 tonnes

Flotation optimisation improving recoveries[3]



Daily production increasing



(1) Refer to ASX announcements titled "Syrah finalises Balama Graphite study and declares maiden ore reserve" released on 29 May 2015, "Syrah increases Balama Reserves and awards Laboratory Contract" released on 15 November 2016. All material assumptions underpinning the production target in these announcements continue to apply and have not materially changed.
(2) C1 cash operating costs (FOB Port of Nacala, excluding government royalties and taxes)
(3) Total plant recovery for January, February and March and flotation recovery April month to date.

SYRAH RESOURCES

Balama Inauguration April 2018

President of Mozambique, His Excellency Mr Filipe Nyusi, officially opening Balama

Greeting Syrah MD & CEO, Shaun Verner

Traditional tree planting

Local community

Bagging of graphite concentrate

Unveiling of commemorative Balama plaque

Balama inauguration plaque

SYRAH RESOURCES

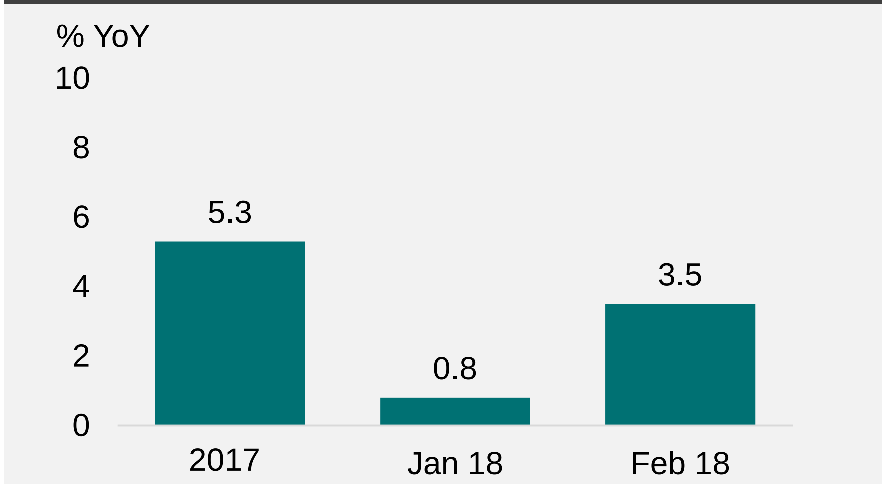
Graphite Market

SYRAH RESOURCES

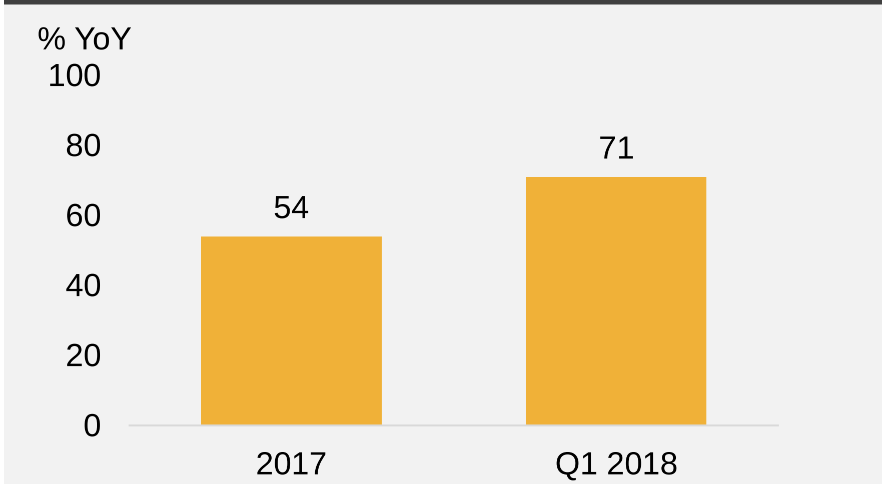
Industrial and battery market demand was strong in 2017; has continued Q1 2018

- World Steel Association expects global steel production growth of +1.8% in 2018. Down from +5.3% in 2017 as demand from China eases
- In 2017, ~120,000 tonnes of flake graphite was used to produce lithium ion battery anode material for all electrical applications
- Syrah expects electric passenger vehicle market to grow by +40% to +50% in 2018
- In 2018, Syrah expects an incremental +80,000 tonnes of demand from the battery sector and flat demand from the steel sector

Global Steel Market Growth



Passenger Electric Vehicle[1] Market Growth

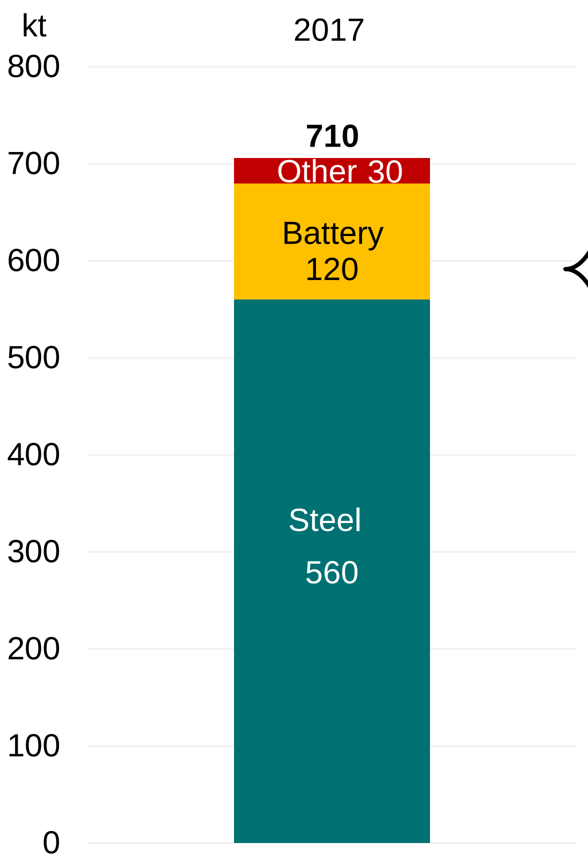


Source: Syrah Resources, CEIC, World Steel Association

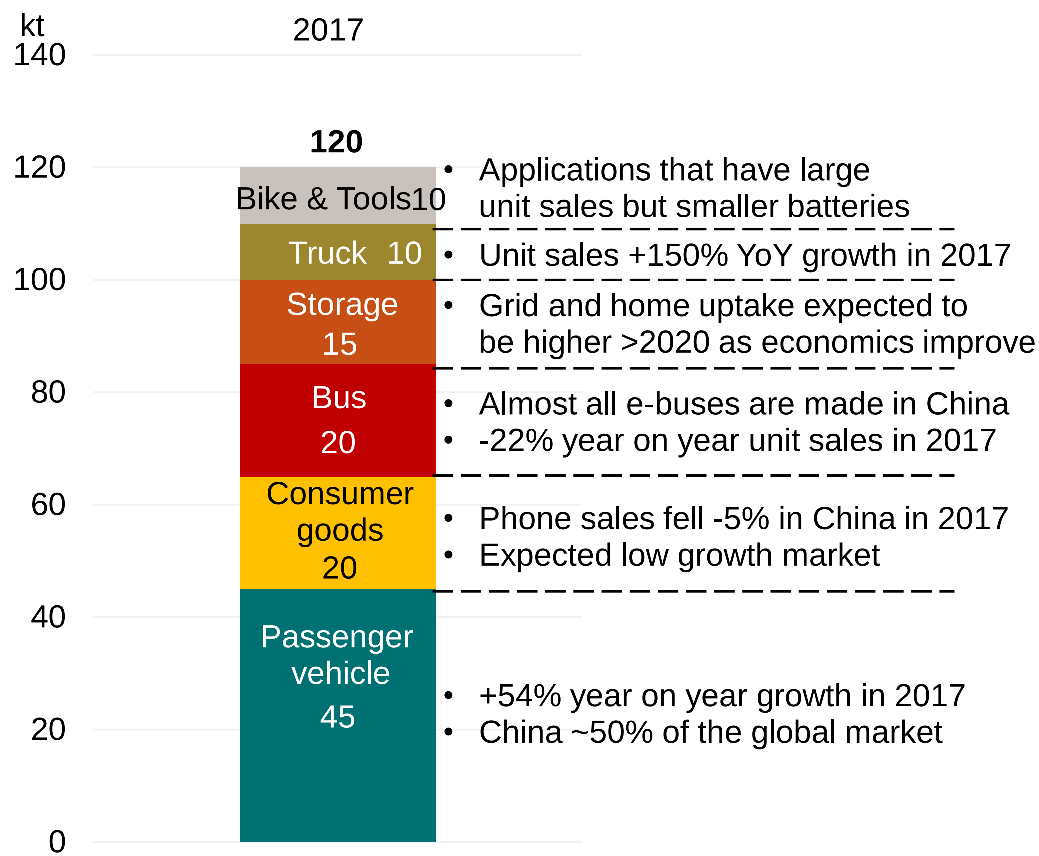
(1) Does not include electric bus, trucks and bikes

Battery sector demand growth for flake graphite driven by passenger vehicles and trucks in 2017

Natural Flake Graphite Demand



Battery Sector Demand Breakdown



Source: Syrah Resources internal supply and demand model, CEIC, World Steel Association

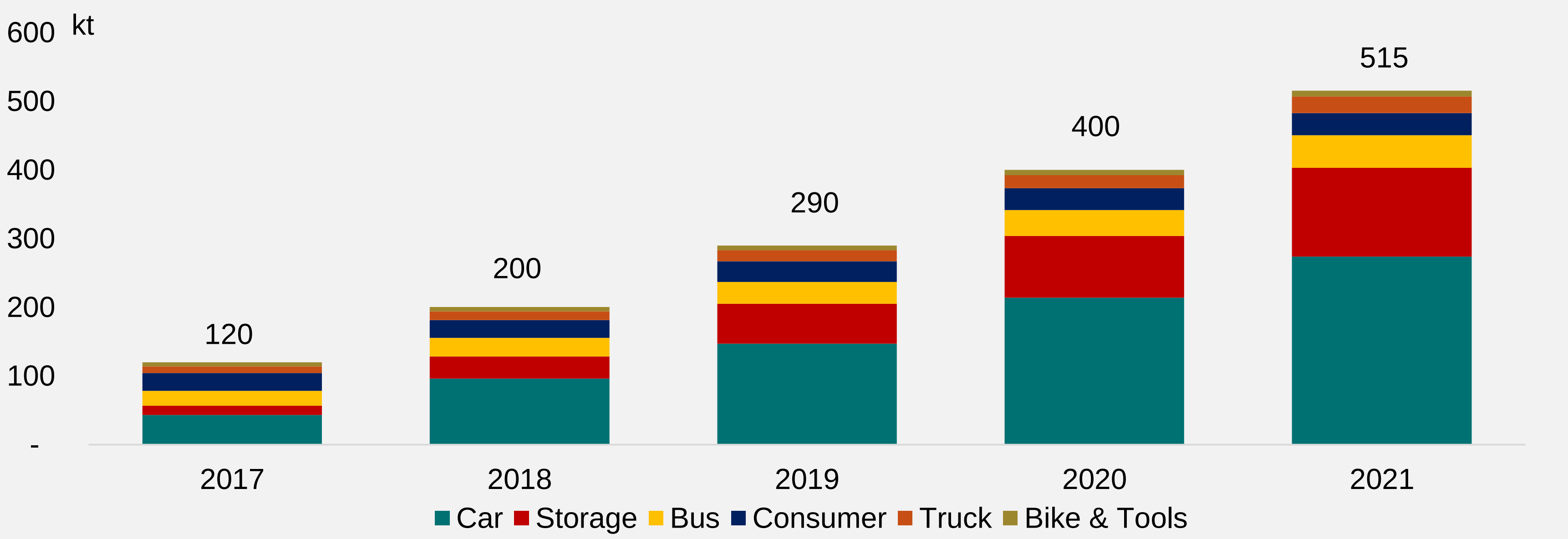
SYRAH RESOURCES

Natural flake graphite market outlook: Battery sector

Rapid growth of lithium ion battery market expected

- Syrah estimates an increase in demand of nearly 400kt from the battery sector between 2017 and 2021, to ~500kt
- Assume an electric vehicle penetration rate of 5.5% (global) and 9% (China) to reach 2021 demand forecast
- Expect energy storage to be a major market >2021 due to renewable energy integration in homes and grids

Lithium ion battery demand by end use application



Source: Syrah Resources internal demand and supply model

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

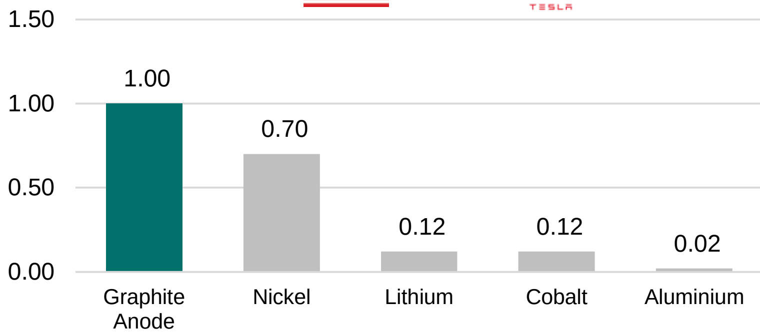
Source: Syrah Resources

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

Nickel Cobalt Aluminium (NCA)

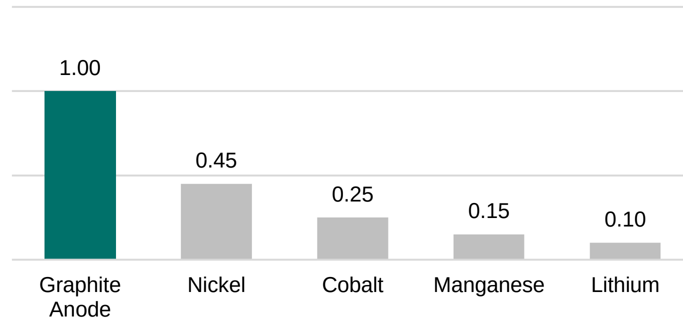
Preferenced by

Kg per kWh



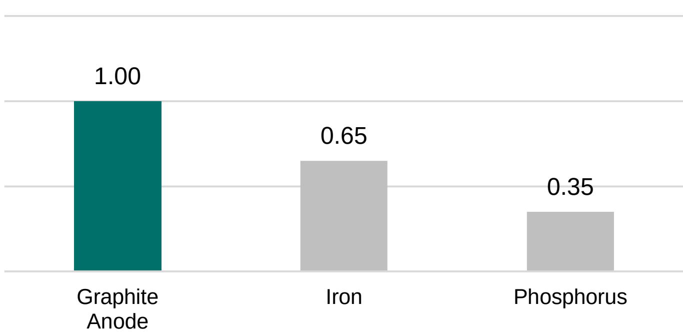
Nickel Manganese Cobalt (NMC[1])

Preferenced by



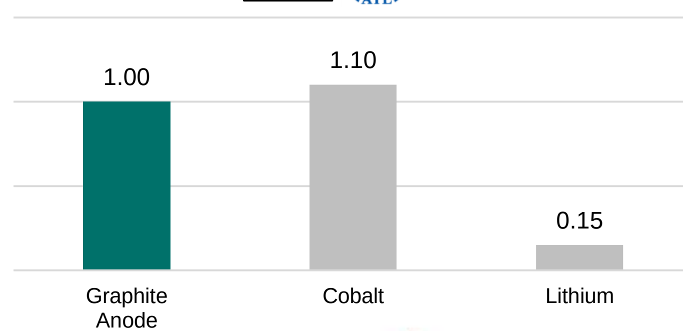
Lithium Iron Phosphate (LFP)

Preferenced by



Lithium Cobalt Oxide (LCO)

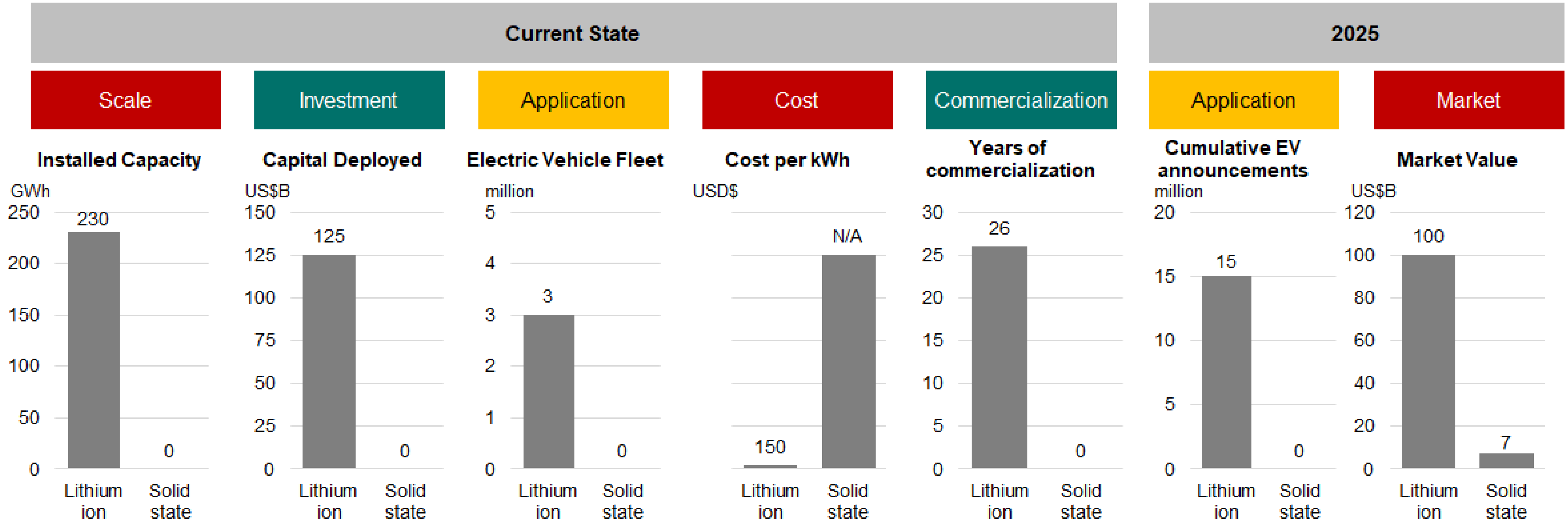
Preferenced by



Anode
Cathode Materials

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

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



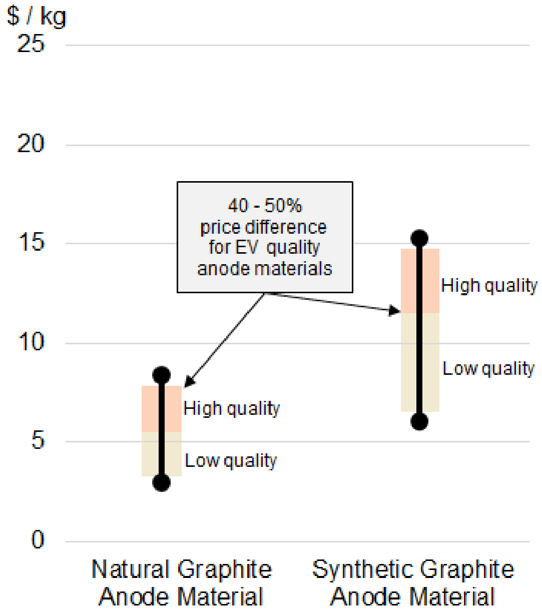
Whilst solid state batteries remain theoretically attractive, they remain unproven, uncommercialized and uncompetitive with lithium ion batteries

Source: Syrah Resources, IDtechex

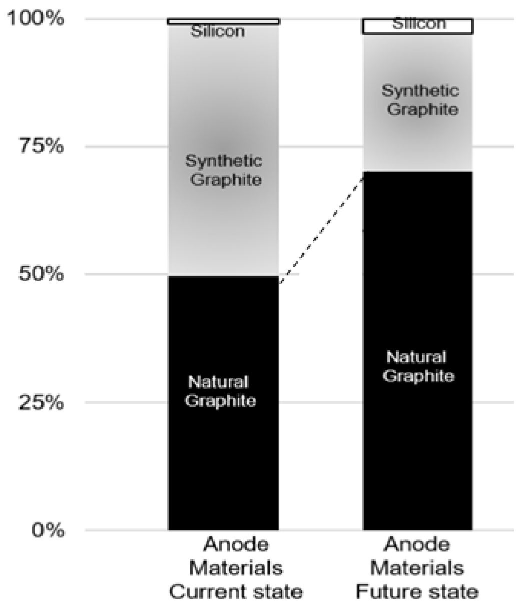
SYRAH RESOURCES

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

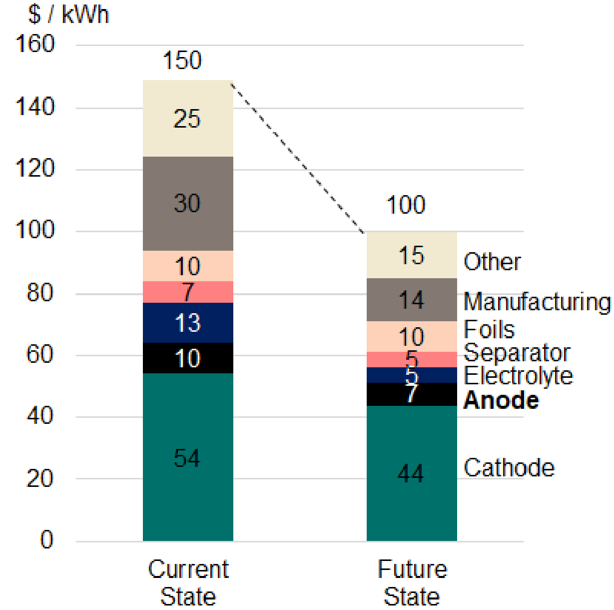
Significant difference in prices for natural and synthetic graphite anode material



Greater use of natural graphite expected



which will assist in overall battery reduction costs

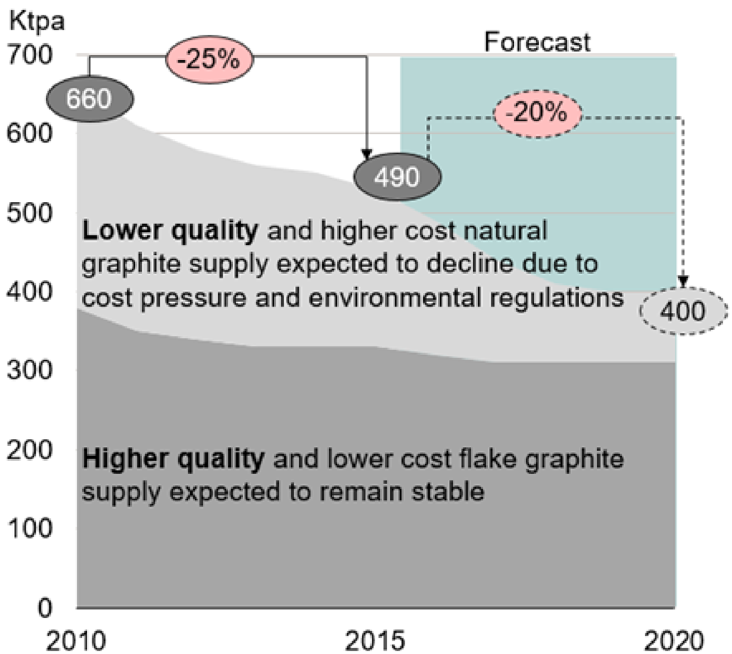


Source: Syrah Resources, Bernstein

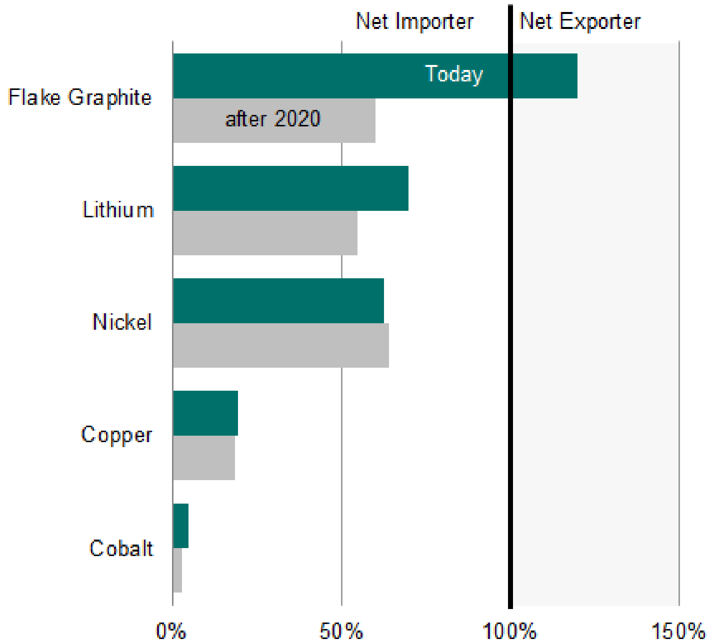
SYRAH RESOURCES

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

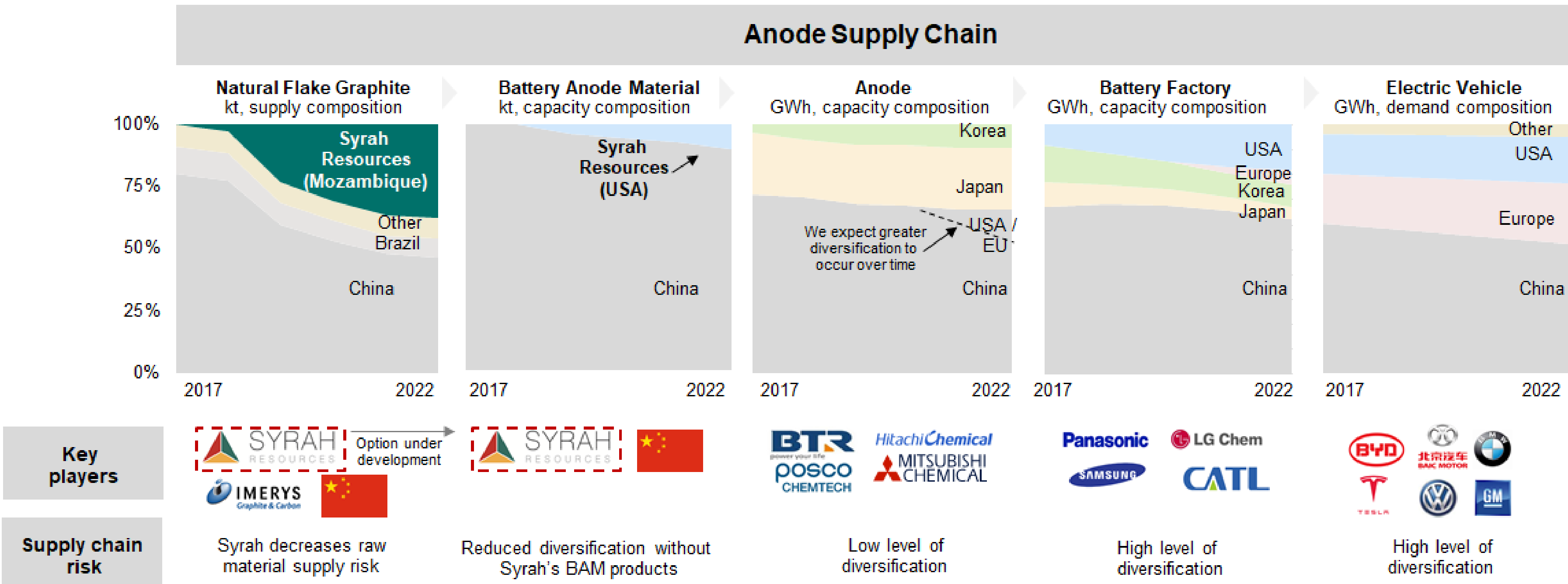


China's switch from an exporter to importer of natural will permanently and structurally change the market dynamics



Source: Syrah Resources, Woodmackenzie, CRU, Metal Bulletin

Anode supply chain margins driven by the development of intellectual property by anode material and anode producers



Source: Syrah Resources

BAM strategy leverages product quality, location and timing to establish position and maximise value

Electric Vehicle driven battery growth of 23% CAGR (in GWh) to 2025

Market and Strategy

BAM market opportunity and margins are driven by:

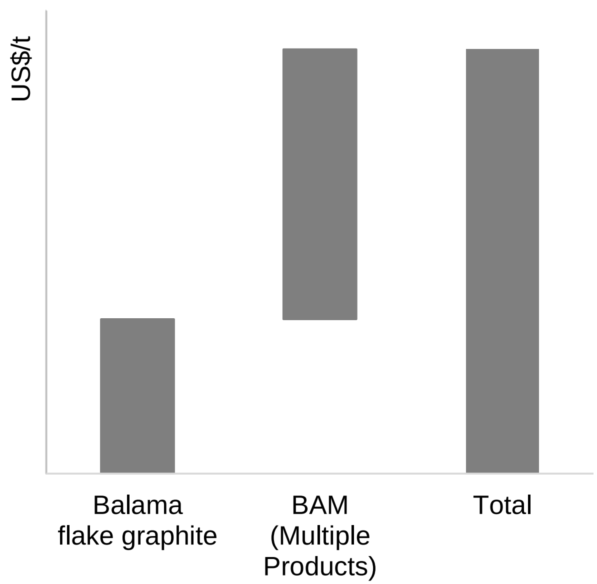
- Anode **quality and performance** in the battery
- **Cost** of alternative materials
- **Security** of supply and sourcing **diversification**
- **Intellectual property** and **technology expertise**

Syrah's BAM strategy is to:

- Highlight quality through **testing and benchmarking**
- **Capture value in use** upstream
- Commence **low risk BAM production in Louisiana**
- Provide baseload **supply security and diversification**
- **Leverage relationships to move down the value chain** for market entry and value

Value

Potential EBITDA contribution



Summary

Syrah establishing solid foundation as only major new supplier of graphite to battery market

Syrah Resources

- Largest and one of the lowest cost and highest quality producers of natural flake graphite
- Strong demand profile outlook for natural graphite from lithium ion batteries for electric vehicles and power storage
- Sales agreements with traditional and battery market customers
- Will establish a position in the battery supply chain through value added processing of graphite for anode materials
- Syrah remains the only major new supplier of flake graphite to world's battery market

SYRAH RESOURCES