



BALAMA GRAPHITE OPERATION Q1 2019 PRELIMINARY UPDATE

Syrah Resources Limited (**ASX: SYR**) ("Syrah" or "Company") provides an update on the Balama Graphite Operation ("Balama") Q1 2019 performance.

	Q1 2019 ⁽¹⁾	Guidance ⁽²⁾
Graphite production	48kt	~45kt
Sales volume	48kt	45kt -50kt
Weighted average price achieved	Upper end of guidance	US\$460 – US\$470 per tonne
Cash as at 31 March 2019	US\$62 million	US\$55 – US\$57 million

Production

- Balama produced 48kt natural flake graphite
- Higher recovery, plant availability and utilisation in second half of March resulted in a record month of production of ~19kt
- Overall Q1 2019 recovery was broadly consistent with the prior quarter at ~ 70%
- Detailed production improvement plan continuing

Sales and Pricing

- Sold 48kt during the quarter
- Weighted average graphite price achieved of US\$469 per tonne (CIF) reflecting product mix, final vessel scheduling weighted towards sales of fines graphite and progress towards close out of lower priced contract volumes from 2018

Cash and Liquidity

- Cash as at 31 March 2019 was US\$62 million
- Variance to guidance due to timing difference of working capital movements with ~ US\$5 million payments previously forecasted for Q1 rolling into early Q2

Further details will be provided with Syrah's Q1 2019 Quarterly Activities Report and Appendix 5B Cash Flows to be released on 29 April 2019.

(1) Figures are subject to finalisation

(2) Refer to ASX announcement dated 14 March 2019

**Q1 2019 Update Teleconference Details**

Syrah's Managing Director and CEO, Shaun Verner will host a conference call to discuss the Q1 2019 update on Monday 29 April 2019 at 10am (Melbourne, Australia time).

To register, please copy and paste the link below into your browser:

<http://apac.directeventreg.com/registration/event/9873617>

For further information contact Investor Relations:

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About Syrah Resources

Syrah Resources Limited (ASX code: SYR) is an Australian-based industrial minerals and technology company. Syrah owns and developed the Balama Graphite Project (Balama) in Mozambique. Balama transitioned to operations with sales and shipments to a global customer base including the battery anode producers, from the start of 2018. Balama produced over 100,000 tonnes of natural flake graphite in its first full year of operations and has already established itself as the largest natural graphite producer globally. Balama production is targeted to supply traditional industrial graphite markets and emerging technology markets. Syrah is also progressing its downstream Battery Anode Material strategy with first production of spherical graphite achieved in December 2018 from its plant in Louisiana, USA. Syrah has successfully completed extensive product certification test work with several major battery producers for the use of Balama spherical graphite in the anode of lithium-ion batteries. For further information, visit www.syrahresources.com.au