



Quarterly Activities Report – Period Ended 30 June 2022

Key Points

- Total Recordable Injury Frequency Rate ("TRIFR") of 0.8 for Balama and 17.1 for Vidalia at quarter end
- Demand growth for Balama natural graphite end uses, with global electric vehicle ("EV") sales up 51% in June 2022 quarter, versus the June 2021 quarter, to approximately 2.2 million units¹ and Chinese anode production increasing to above 100kt per month in the June 2022 quarter²
- Balama produced 44kt natural graphite at 79% recovery with 44kt sold and shipped during quarter
- Balama C1 cash costs (FOB Nacala/Pemba) of US\$543 per tonne
- Weighted average sales price increased to US\$662 per tonne (CIF)
- Two ~10kt spot breakbulk shipments from Pemba port completed in the June 2022 quarter
- Significant forward sales order book of nearly 90kt natural graphite, demonstrating robust underlying demand conditions
- Detailed engineering on the initial expansion of Vidalia AAM facility to 11.25ktpa AAM production capacity ("Vidalia Initial Expansion") more than 76% completed
- Construction of Vidalia Initial Expansion project advancing within the planned schedule and budget
- 11.25ktpa AAM Vidalia facility targeted to start production in the September 2023 quarter
- Definitive Feasibility Study ("DFS") on the expansion of Vidalia's production capacity to at least 45ktpa AAM, inclusive of 11.25ktpa AAM, well underway and to be completed in 2022
- Entered into memorandum of understanding with Mitsubishi Chemicals Company to develop to new AAM products and localised production facilities in US and Europe.
- Exploring expansion of downstream business into Europe and commenced process for development of a large-scale AAM facility in the European Union potentially through partnership
- Conditional Commitment³ offered by the US Department of Energy ("DOE") for an Advanced Technology Vehicles Manufacturing loan to support the financing of the Vidalia Initial Expansion project⁴. Syrah and DOE targeting signing of a binding loan in the September 2022 quarter
- Quarter end cash balance of US\$168 million.

¹ Source: LMC. June 2022 includes Syrah's estimate for EV sales in selected countries (~144k total).

² Source: ICCSino.

³ A Conditional Commitment is offered by DOE prior to issuing a loan and indicates that DOE expects to support the Vidalia Initial Expansion project, subject to the satisfaction of certain conditions including fulfilling remaining legal, contractual, and financial requirements.

⁴ Refer ASX release 19 April 2022.

Balama Graphite Operation (“Balama”) – Mozambique

Syrah Resources Limited (ASX: SYR) (“Syrah” or “Company”) recorded a TRIFR of 0.8 at quarter end for Balama.

Quarter Ending	Unit	30 September 2021	31 December 2021	31 March 2022	30 June 2022
Plant Feed	Tonnes ('000)	164	86	311	265
Plant Feed Grade	TGC ⁵	18%	18%	19%	20%
Recovery	%	82%	82%	76%	79%
Graphite Produced	Tonnes ('000)	25	13	46	44
Fine/Coarse Mix	-	80/20	80/20	83/17	83/17
Average Fixed Carbon	%	96%	96%	95%	95%

Balama produced 44kt natural graphite for the quarter at approximately 15kt per month, on average. Maximum finished product inventory positions and ongoing disruption in the global container shipping market continued to prevent Balama operating at a production rate above 15kt per month. Syrah achieved strong operational performance with consistent product quality, stable grade and higher recovery. During the quarter, Balama average and maximum daily production run-rates were 18kt per month and 27kt per month, respectively, during campaign production runs. Plant recovery was 79%, an improvement on the March 2022 quarter and materially higher than when Balama operated at an equivalent monthly production rate in 2019. With the commissioning and optimisation of a cyclone system in the secondary milling circuit, the Company is confident that recovery can be sustained at 80% or above.

Balama C1 cash costs (FOB Nacala/Pemba) for the quarter were US\$543 per tonne. Higher diesel and consumables costs, additional ex-mine gate logistics costs for Pemba breakbulk shipments and one-off maintenance costs led to higher unit cash costs for the quarter. Due to potentially sustained increases in certain operating costs, Syrah is reviewing Balama C1 cash cost guidance at a 15kt per month production rate. Balama C1 cash costs are expected to reduce as production rate increases beyond 15kt per month with improved shipping options and availability and as improvement initiatives are embedded.

Following a competitive tender process, Syrah selected Tayanna Mocambique SA (“Tayanna”), its existing service provider, for Balama contract mining services over a five-year term commencing in the June 2022 quarter. Tayanna will utilise new equipment to improve productivity of Balama mining activities and the Company expects to achieve improved performance and lower mining costs under the new mining services contract.

In April 2022, Syrah took a final investment decision on the installation of a 11.25 MWp solar photovoltaic installation combined with an 8.5 MW/MWh battery energy storage system (“Solar

⁵ TGC = Total Graphitic Carbon.

Battery System”) at Balama⁶ under a build-own-operate-transfer arrangement. The Solar Battery System is progressing on schedule, with earthworks nearing completion and fence installation and piling activities commencing. The Solar Battery System is scheduled to be commissioned in the March 2023 quarter.

At quarter end, Balama employees totalled 482 excluding contractors, with hiring prioritising essential and critical roles. Rates of Mozambican national employment, local host community and female employment were 96%, 37% and 18%, respectively, of Balama’s total labour contingent excluding contractors.

Syrah suspended logistics and personnel movements to and from Balama for seven days in June 2022, as a precautionary measure due to insurgent activity in the Ancuabe region of Cabo Delgado province⁷. Syrah’s operations, employees and contractors were not impacted, with the issues occurring more than 200km from Balama mine site and more than 30km from the N1 road. Logistics and personnel movements recommenced following a review of security, based on direct monitoring and security assessments from qualified third parties⁸. The N1 road has remained open and Balama logistics and personnel movements on this road have continued without interruption since 17 June 2022. Syrah’s highest priority is the health and safety of employees and contractors. The Company’s present security procedures at Balama are deemed appropriate.

Natural Graphite Sales and Marketing

Quarter Ending	Unit	30 September 2021	31 December 2021	31 March 2022	30 June 2022
Graphite Sold and Shipped	kt	18	19	35	44
Weighted Average Price (CIF)	US\$ per tonne	490	530	573	662
Finished Product Inventory ⁹	kt	25	20	30	30

Natural graphite sales for the quarter were 44kt with all 30kt finished product inventory contracted to customers. Container shipping market disruption caused by continuing COVID-19 port and logistics restrictions and global trade imbalances is impacting the Company’s ability to secure desired container capacity for Balama shipments from Nacala, and to meet very strong underlying customer demand. Syrah is using breakbulk shipments from Pemba to supplement container shipments.

The weighted average sales price of natural graphite sales for the quarter was US\$662 per tonne (CIF). Fines sales accounted for approximately 86% of overall product sales. Fines market pricing increased through the quarter with record downstream anode demand and have been stable despite higher Chinese natural graphite production. Coarse flake prices ex-China remained strong due to industrial demand growth and ongoing supply disruptions, including from Ukraine and Russia. Sea

⁶ Refer ASX release 6 April 2022.

⁷ Refer ASX release 9 June 2022.

⁸ Refer ASX release 17 June 2022.

⁹ Finished product inventory includes saleable inventory at Balama, Nacala, Pemba and USA.

freight rate volatility and surcharges remain with Syrah's average shipping unit costs during the quarter at approximately four times the long-term average.

Strong forward demand for Balama's high quality products has continued through the June 2022 quarter highlighted by Syrah's significant order book. Demand is consistent with strong growth in global EV demand, increasing Chinese anode production, Syrah's primary customer segment, and positive conditions in ex-China carbon markets particularly in Europe. Syrah expects the coarse flake market in Asia to be balanced in the September 2022 quarter. Robust forward contracting with end-user customers is underpinning nearly 90kt of natural graphite forward sales orders.

Natural graphite production from major processing facilities in China continue to be challenging due to environmental issues, remedial actions, recertification efforts and COVID-19 related logistics interruptions. Chinese natural graphite production constraints is evident, with higher Chinese natural graphite imports required to satisfy demand, and Syrah's forward sales orders indicate customer concern regarding Chinese natural graphite production availability and market balance. Chinese natural graphite inventory positions remain low due to the disruption in Chinese production and the challenges in the shipping market hindering higher natural graphite imports into China. Continuing record monthly Chinese anode production rates, in conjunction with supply disruptions and bottlenecks, is driving very strong demand and supportive pricing from Chinese customers for new sales orders.

During the quarter, Syrah completed two ~10kt spot breakbulk shipments through Pemba port. The Company is planning further breakbulk shipments in the September 2022 quarter and will continue to use this export route for Balama products whilst the container shipping market is disrupted. Breakbulk shipments from Pemba create an additional export route for Balama products, provide flexibility in managing inventory positions and will enable significantly higher product sales than otherwise could be achieved solely through Nacala port, given prevailing container availability constraints.

The global container shipping market remained challenging during the June 2022 quarter due to inefficiencies at global ports, Chinese logistics and supply chain disruptions, and trade flow impacts resulting from the Ukraine conflict. Whilst improvement in global freight rates, scheduling reliability and port congestion is evident, East Africa vessel services and container availability are not expected to improve in the September 2022 quarter. Pemba breakbulk shipping rates are expected to reduce with lower freight rates in global container and bulk shipping sectors. The Company continues to work closely with its container shipping service providers through Nacala to secure increased container shipping capacity. The integration of breakbulk shipping through Pemba in combination with expected container shipping availability through Nacala will continue support Balama sales and production of at least 15kt per month.

Vidalia Active Anode Material Facility ("Vidalia") – USA

Syrah recorded a TRIFR of 17.1 at quarter end for Vidalia with a lost time injury sustained by a contractor in May 2022. This was the first recordable injury to occur at Vidalia since June 2020. The injured contractor is expected to make a full recovery.

The Company made outstanding progress in its strategy to become a vertically integrated natural graphite AAM supply alternative for USA and European battery supply chain participant and OEM customers during the June 2022 quarter and post quarter end.

In February 2022, Syrah's Board approved a final investment decision on the initial expansion of Vidalia to 11.25ktpa AAM production capacity ("FID")¹⁰. Construction of the Vidalia Initial Expansion project is progressing within the planned schedule and budget under the management of an integrated Syrah and Worley Group team. Detailed engineering with Worley Group was more than 76% completed at the end of the quarter and will be substantially completed in the September 2022 quarter to maintain sequencing of equipment fabrication and construction activities. Procurement activities accelerated with contracts for key construction services and equipment representing a significant proportion the total installed capital costs of the Vidalia Initial Expansion project awarded. The key construction activities undertaken during the quarter were piling, fencing and installation of infrastructure in readiness for contractors' workforce, and these activities are proceeding on schedule. All overseas fabrication of major equipment is tracking as expected and delivery of this equipment remains on schedule. Significant contracts for mechanical and electrical & instrumentation work packages will be awarded in the September 2022 quarter and other construction contracts will be awarded to maintain the critical path schedule. Construction activities in the September 2022 quarter will focus on completion of civil foundations, mechanical, structural steel and piping manufacturing, and preparing for delivery and installation of major equipment. Construction of the 11.25ktpa AAM Vidalia facility is expected to be completed in the June 2023 quarter and, following commissioning, start of production is targeted in the September 2023 quarter with an 18-month ramp-up period to the full estimated 11.25ktpa AAM production rate.

Syrah has executed an offtake agreement with Tesla, Inc. to supply natural graphite AAM from the 11.25ktpa AAM Vidalia facility¹¹. The Company is advancing commercial and technical engagement with other target customers to develop Vidalia AAM for mass production and secure additional long-term purchase commitments for Vidalia. Syrah expects to announce a commercial development with another tier 1 customer in the September 2022 quarter. Syrah is engaged with multiple target battery supply chain participant and auto OEM customers on qualification, and iterative testing programs are progressing with key target customers. Market growth and segmentation (e.g. localisation / ESG) is expected to benefit Syrah in its commercial engagements with target customers for the 3.25ktpa AAM uncontracted volume from the 11.25ktpa AAM Vidalia facility. Accordingly, Syrah is aiming to secure additional AAM offtake agreements with target customers, at AAM prices consistent with or better than assumed for the Vidalia FID, prior to start of production of the 11.25ktpa AAM Vidalia facility.

Syrah's wholly owned and integrated spherical, purification and furnace operation at Vidalia, which uses natural graphite from Balama, is the only vertically integrated and commercial scale AAM supply source outside China and is continuing to produce 18-micron and 12-micron AAM as required for testing and qualification.

¹⁰ Refer ASX release 7 February 2022.

¹¹ Refer ASX releases 23 December 2021 and 29 December 2021.

Syrah has completed trade-off studies and finalised a basis of design for the DFS on the expansion of Vidalia's production capacity to at least 45ktpa AAM, inclusive of 11.25ktpa AAM, which will be completed in 2022. Detailed engineering, procurement, and construction phases will follow the DFS sequentially, subject to Syrah Board approval and customer and financing commitments.

Syrah believes it is the most progressed vertically integrated natural graphite AAM supply alternative for US and European battery supply chain participant and OEM customers, which are currently highly reliant on China for their battery anode supply chains. The progress at Vidalia and its vertical integration with Balama is a unique value proposition to Governments, auto OEMs and battery supply chain participants, specifically: scale; independence and co-location with USA battery production; critical mineral security; and ESG auditability back to the source.

Mitsubishi Chemicals Company MOU

During the quarter, Syrah entered into a non-binding memorandum of understanding with Mitsubishi Chemicals Company ("MCC"), an established and high-quality producer of anode materials and a subsidiary of Mitsubishi Chemical Holdings Corporation, Japan's largest chemical corporation. The MOU with MCC is to collaborate on the development of high performance, low cost and environmentally beneficial AAM products using Balama natural graphite products and MCC's processing technology. Syrah and MCC will also evaluate the potential for joint development of localised production facilities for its AAM products in the USA and Europe.

European Downstream Strategy

Syrah continues to explore options to grow its downstream business, further capitalise on the strategic benefits of vertical integration with its world-class, large-scale Balama resource and create value for its shareholders. As part of the Company's vision to become a leading supplier of anode products, Syrah is considering a potential expansion of its downstream business into Europe. By 2026, European-based lithium-ion battery manufacturing capacity is forecast to be 491GWh¹² per annum, which is estimated to require 375ktpa AAM¹³. Whilst it is evident that substantial investment is underway and planned in significantly expanding lithium-ion battery manufacturing capacity across Europe, there has not been commensurate planning, investment or progress in developing a proportionately scaled and localised natural graphite AAM supply chain in Europe. Syrah's broad engagement with global customers has also highlighted concerns with the lack of European-based AAM supply and dependency on, and cost vulnerabilities of, imported AAM supply from Asia.

Given these market fundamentals, Syrah is exploring the option to develop a large-scale AAM production facility in the European Union and has commenced a process to assess the strategic merits of development in partnership to complement Syrah's capabilities and accelerate its entry into

¹² Source: Benchmark Mineral Intelligence Battery Megafactory Assessment, June 2022.

¹³ 2026 forecast European battery manufacturing capacity of 491GWh, 85% battery manufacturing capacity utilisation, 95% graphite anode market share and 1.2kg/kWh intensity of graphite in anode. Source: Benchmark Mineral Intelligence Battery Megafactory Assessment, June 2022 and Flake Graphite Forecast, Q2 2022, excluding capacity utilization assumption which is a Syrah assumption.

the European AAM market. It is envisaged that Syrah's AAM facility in the European Union would replicate the technology, process and equipment used for the Vidalia AAM facility and be supplied with natural graphite from Balama.

Syrah Lifecycle Assessment Update

A critical panel review of Minviro Ltd's independent lifecycle assessment ("LCA") of Syrah's integrated operations, from Balama origin to Vidalia AAM customer gate, will be completed in the September 2022 quarter. With the completion of this review, Syrah can declare that its LCA meets the requirements of ISO14040/14044 standards. Upon completion of the critical panel review, Syrah will publicly report comparative benchmarking of Global Warming Potential ("GWP")¹⁴ for representative natural graphite and AAM supply routes in China, which currently account for most of global production, and demonstrate the differentiated sustainability credentials of Syrah's natural graphite and AAM products.

Syrah encourages care to be taken in comparing LCAs by ensuring consistency in the products and boundaries being evaluated by each LCA. Furthermore, the Company notes that certain LCAs in the graphite and AAM sector may not measure the environmental impacts of the full value chain to manufacture products due to lack of data. Syrah's LCA measures the environmental impacts of the full value chain, which is based on a complete and well-defined inventory of its vertically integrated position.

Market Update

Positive momentum in EV sales and penetration, a key leading indicator for natural graphite and AAM demand growth, continued during the quarter despite global recessionary concerns. Global EV sales grew 51% in the June 2022 quarter, versus the June 2021 quarter, to approximately 2.2 million units¹ with strong demand growth in China and ex-China consumer markets. Robust EV sales growth is resulting in high demand for anode material, as shown by total Chinese anode production increasing to above 100kt per month, further announced anode capacity additions in China and record imports of natural graphite into China. There continues to be significant new commitments made to expanding EV sales and battery manufacturing capacity globally, and specifically in Western markets where battery manufacturing capacity is expected to increase considerably to underpin the transformational vehicle electrification strategies of auto OEMs. Leading auto OEMs are positioning to create large-scale EV supply chains in North America and Europe to meet growing consumer demand for EVs.

Government and private sector recognition of the strategic importance of battery raw material supply chains is accelerating rapidly, particularly in the USA. Syrah is engaged with key stakeholders, bilaterally and via industry group participation, to highlight the relevance of Vidalia in achieving policy

¹⁴ GWP is defined as the cumulative radiative forcing, both direct and indirect effects, over a specified time horizon resulting from the emission of a unit mass of gas related to some reference gas [CO₂: (IPCC 1996)]. GWPs shown are a forecast life of operation average for Balama (full natural graphite production) and Vidalia (based on detailed engineering) and include scope 1, scope 2 and scope 3 greenhouse gas emissions.

objectives and to secure support for the Vidalia Initial Expansion and subsequent expansions of Vidalia's production capacity.

Debt Financing

United States Department of Energy debt financing

In April 2022, Syrah Technologies finalised a non-binding term sheet and was offered a Conditional Commitment³ for a loan from the US Department of Energy to support the financing of the Vidalia Initial Expansion project⁴. The proposed loan is to be made under DOE's Advanced Technology Vehicles Manufacturing loan program. Syrah and DOE are focused on completing negotiations for the loan and are targeting signing of a binding loan in the September 2022 quarter, subject to the approval of the Syrah Board and receipt of all governmental and third-party consents necessary for the loan. First advance from the DOE loan is targeted in the December 2022 quarter to align with the capital spending program for the Vidalia Initial Expansion project.

United States International Development Finance Corporation debt financing

In May 2021, Syrah applied to the United States International Development Finance Corporation ("DFC") for debt financing to fund (i) initial working and sustaining capital, (ii) expansion of the tailings storage facility, and (iii) feasibility studies for development of the vanadium resource at Balama. Due diligence on Balama and Syrah by the DFC is ongoing.

There is no certainty that debt financing from the DOE or DFC will be committed to Syrah or in Syrah's targeted timeframe. These matters remain subject to ongoing negotiation.

Finance and Corporate

The Company's cash balance at 30 June 2022 was US\$168 million.

Licences

The following table lists the current licences held by Syrah Resources Limited and its subsidiaries at 30 June 2022:

Project	Licence Number	Licence Type	Country	Interest acquired/ farm-in during the quarter	Interest disposed/ farm-out during the quarter	Interest held as at 30 June 2022
Balama	6432C	Mining Concession	Mozambique	-	-	95%

Notes in relation to Appendix 5B

Payments to related parties and their associates during the quarter as outlined in Section 6 of the accompanying Appendix 5B to this quarter's activities report were US\$174,361. These payments are related to salaries, superannuation, advisory and consultancy fees paid to directors and/or director related entities during the quarter ended 30 June 2022, including amounts paid to Sal & Caldeira Advogados a related party of José Caldeira (Non-Executive Director).

This release was authorised on behalf of the Syrah Board by

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About Syrah Resources

Syrah Resources (ASX code: SYR) is an Australian Securities Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Active Anode Material Facility in the United States. Syrah's vision is to be the world's leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial markets.

Forward Looking Statement

This document contains certain forward - looking statements. The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan", "targets" and other similar expressions are intended to identify forward - looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward - looking statements. Forward - looking statements, opinions and estimates provided in this document are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward - looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This document contains such statements that are subject to risk factors associated with the mineral and resources exploration, development and production industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: dependence on commodity prices, availability of funding, impact of inflation on costs, exploration risks, including the risks of obtaining necessary licences and diminishing quantities or grades of reserves, risks associated with remoteness, environmental regulation risk, currency and exchange rate risk, political risk, war and terrorism and global economic conditions, as well as earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward - looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward - looking statements in this document will actually occur. Actual results, performance or achievement may vary materially from any projections and forward - looking statements and the assumptions on which those statements are based. The forward - looking statements in this document speak only as of the date of this document. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward - looking statements in this document to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this document will under any circumstances create an implication that there has been no change in the affairs of Syrah since the date of this document.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

SYRAH RESOURCES LIMITED

ABN

77 125 242 284

Quarter ended ("current quarter")

30 JUNE 2022

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (6 months) US\$'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	28,916	47,006
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(34,767)	(64,047)
	(d) staff costs ⁽¹⁾	(4,537)	(9,502)
	(e) administration and corporate costs	(1,030)	(1,702)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	245	260
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – VAT recoveries	264	3,218
1.9	Net cash from / (used in) operating activities	(10,909)	(24,767)
(1) Includes staff costs in relation to Balama Graphite Operation, Vidalia Project and Corporate & Administration functions			
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(15,882)	(29,198)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (6 months) US\$'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Receipts from environmental bond deposit release	-	3,758
2.6	Other – Payment for environmental bond deposit release	(8,122)	(8,122)
2.7	Other – Payment for security deposit	(38)	(38)
2.8	Net cash from / (used in) investing activities	(24,042)	(33,600)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	180,777
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(110)	(5,186)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – payment for interest and principal on lease liabilities	(815)	(1,611)
3.10	Net cash from / (used in) financing activities	(925)	173,980

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	204,504	52,914
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(10,909)	(24,767)

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (6 months) US\$'000
4.3	Net cash from / (used in) investing activities (item 2.8 above)	(24,042)	(33,600)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(925)	173,980
4.5	Effect of movement in exchange rates on cash held	(513)	(412)
4.6	Cash and cash equivalents at end of period	168,115	168,115

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1	Bank balances	14,522	19,988
5.2	Call deposits	153,593	184,516
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	168,115	204,504

6.	Payments to related parties of the entity and their associates	Current quarter US\$'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	174
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end US\$'000	Amount drawn at quarter end US\$'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other - convertible notes	69,141	69,141
7.4	Total financing facilities	69,141	69,141
7.5	Unused financing facilities available at quarter end		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>With reference to item 7.3, Syrah issued an unsecured convertible note to AustralianSuper Pty Ltd as trustee for AustralianSuper (AustralianSuper) in October 2019 to raise A\$55.8 million (Series 1 Convertible Note). Interest to accrue on principal outstanding at a rate of (at the Company's discretion): 8% per annum, capitalised quarterly in arrears and added to principal outstanding; or 7.5% per annum if Syrah elects to make interest payments in cash. The Series 1 Convertible Note matures on 28 October 2024 unless redeemed or converted earlier. A summary of the key terms of the Series 1 Convertible Note is in Syrah's ASX release dated 19 June 2019.</p> <p>Syrah issued an unsecured convertible note to Australian Super in June 2021 to raise A\$28.0 million (Series 3 Convertible Note). Interest to accrue on principal outstanding at a rate of (at the Company's discretion): 8% per annum, capitalised quarterly in arrears and added to principal outstanding; or 7.5% per annum if Syrah elects to make interest payments in cash. The Series 3 Convertible Note matures on 28 October 2024 unless redeemed or converted earlier. A summary of key terms of the Series 3 Convertible Note is in Syrah's ASX release dated 10 December 2020.</p> <p>The value provided in 7.3 includes the Series 1 and Series 3 Convertible Note face value, interest accrued and capitalised establishment fee. The amount is converted from Australian Dollars to United States dollars at an AUDUSD exchange rate of 0.6889 (Q1 2022: 0.7482)</p>		

8.	Estimated cash available for future operating activities	US\$'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(10,909)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(10,909)
8.4	Cash and cash equivalents at quarter end (item 4.6)	168,115
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	168,115
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	15.4
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	Answer: Not applicable as item 8.7 is greater than 2.
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	Answer: Not applicable as item 8.7 is greater than 2.
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: Not applicable as item 8.7 is greater than 2.
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:21 July 2022.....

Authorised by:The Board.....

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.