

Capital Raising Private Placement to Sophisticated Investors

The Company is pleased to announce it has received commitments from sophisticated investors to acquire 10,526,320 newly issued shares (Placement Shares) at an offer price of A\$0.38 per share to raise approximately A\$4,000,000 (Offer).

The funds raised will be applied to:

- (a) the construction of the long duration energy storage cell pilot including the ultra-high temperature test work being conducted by Technische Universität Bergakademie Freiberg's INEMET group;
- (b) the expansion of the Uley 2 definitive feasibility study from the existing production capacity of 55,000 tonnes per annum to a target capacity of approximately 95,000 tonnes per annum;
- (c) ongoing site preparation of Uley 2; and
- (d) general working capital requirements including progressing the financing of the Uley 2 (Stage 1) Project.

The pricing of A\$0.38 per share represents a 7.9% discount to the last traded closing price of A\$0.41 on 18 July 2022 and a 15% discount to the 15 day VWAP of A\$0.43. Placement Shares will be issued within the Company's placement capacity under ASX Listing Rule 7.1. Key dates of the Offer are set out below.



ABOUT QUANTUM GRAPHITE LIMITED

QGL is the owner of the Uley flake graphite mineral deposits located south-west of Port Lincoln, South Australia. The company's Uley 2 project represents the next stage of development of the century old Uley mine, one of the largest high-grade natural flake deposits in the world. For further information, qgraphite.com.

Timetable for the Offer		
Announcement of Offer	- Trading halt lifted - Appendix 3B lodged with ASX	Thursday, 21 July 2022
Prospectus lodged	- Lodgement with ASIC and ASX	Thursday, 21 July 2022
Closing Date	- Last day for receipt of Application Forms	Tuesday, 26 July 2022
Issue Date	- Allotment of Placement Shares under Offer	Thursday, 28 July 2022
Quotation of Placement Shares and expected commencement of normal trading on ASX (subject to approval by the ASX)		Monday, 31 July 2022
Despatch date of holding statements for Placement Shares		Monday, 31 July 2022

Dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Company reserves the right to amend this indicative timetable. This may include extending the Closing Date, accepting late Applications, or to withdraw the Offer. Any extension of the Closing Date will have a consequential effect on the date for the issue of Placement Shares. No cooling-off rights apply to Applications submitted under the Offer.

Fees for the Offer comprise a maximum cash fee of 5% of funds raised and the issue of 3,000,000 options at an exercise price of A\$0.75 per share expiring on 31 January 2024.

Managing Director, Sal Catalano, said, *“the Company is within reach of achieving the last of its key technical milestones. Despite challenging market conditions, the successful completion of the Offer enables the Company to conclude this critical work this calendar year and advance its commercialisation strategy.”*

Chairman, Bruno Ruggiero, said, *“The Board’s commercialisation strategy has set QGL apart from its peers. We consider its multi-market exposure – traditional thermal management products, EV (Li-ion batteries) and long duration energy storage, offers investors a superior path to the delivery of long term value.”*

FOR FURTHER INFORMATION CONTACT:

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About The Quantum Sunlands Partnership

QSP is a joint venture between the Company and The Sunlands Co. Ltd for the manufacture of coarse natural flake based thermal storage media. The coarse flake will be exclusively sourced from the Company’s Uley mine. The finished media will be fitted within Sunlands Co.’s long duration energy storage cells.

<https://www.sunlandsc.com/>