

ASX Announcement / Media Release

26 September 2022

Balama update

Syrah Resources Limited (ASX:SYR) (“Syrah” or “Company”) advises that operations at Balama Graphite Operation (“Balama”) in Mozambique have been interrupted by illegal industrial action by a small contingent of local employees and contractors.

Due to this contingent of people stopping work, disrupted access to site and out of caution for the safety of Syrah’s employees and contractors, Balama operations were halted and the Company’s workforce was moved from site on Tuesday, 20 September 2022, Mozambique time.

Under the Company Level Agreement (“CLA”) covering the majority of site employees, Syrah has been engaged in good faith discussions for periodic renewal of conditions with the designated representatives of its unionised workforce, with the involvement of the Internal Union Committee (“Union”), and with the relevant Mozambique Government representatives. The illegal industrial action was instigated by a small group outside of the CLA negotiation process, and the actions taken by this group are not deemed representative of the majority of the Balama workforce. Syrah’s strong relationship with and commitment to employees, communities and the Mozambique Government have been integral to the successful development and operations at Balama.

The Company is working with Union and Mozambique Government representatives to progress negotiations and, concurrently, with security services to ensure the safety of all personnel and stakeholders and preserve plant integrity during the period of disruption. Syrah is focussed on resolving the industrial action through mediation and negotiation under the legal framework of the CLA in order to safely restart operations at Balama. Syrah fully supports the rights of employees and contractors to collectively organise under Mozambican labour law and is committed to working constructively with the Union to resolve outstanding issues.

Following a review of security, the Company is coordinating the return of employees and contractors to return to site and planning for Balama’s full operational capability to be restored as soon as possible.

Balama has produced 38kt natural graphite for the quarter to date. Natural graphite sales are 54kt for the quarter to date with approximately 5kt of further shipments from Nacala this month that will not be impacted by the industrial action. The majority of finished product inventory is located at the port.

This release was authorised on behalf of the Syrah Board by

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About Syrah

Syrah (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.

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