

ASX Announcement / Media Release

20 October 2022

Syrah enters into MOU with LG Energy Solution

Highlights

- Syrah enters into a non-binding memorandum of understanding with LG Energy Solution, a leading global manufacturer of lithium-ion batteries
- Syrah and LG Energy Solution will evaluate natural graphite active anode material (“AAM”) supply from the Vidalia AAM facility in USA.

Syrah Resources Limited (ASX:SYR) (“Syrah” or “Company”) announces it has entered into a non-binding memorandum of understanding (“MOU”) with LG Energy Solution, Ltd. (KRX: 373220) (“LG Energy Solution”) to evaluate natural graphite active anode material (“AAM”) supply from Syrah’s vertically integrated Vidalia AAM facility in Louisiana, USA (“Vidalia”).

Under the MOU, Syrah and LG Energy Solution will continue testing and qualifying Vidalia AAM and use commercially reasonable efforts to finalise, by no later than 31 December 2022, a binding offtake agreement for 2ktpa AAM from Vidalia commencing from 2025 and increasing to at least 10ktpa AAM upon Vidalia’s expansion to a 45ktpa AAM production capacity. Syrah and LG Energy Solution will continue to co-operate to expand Vidalia AAM volumes and support the growing electric vehicle market.

Syrah is developing Vidalia as a vertically integrated natural graphite AAM supply alternative for USA battery supply chains with start of production of a 11.25ktpa AAM facility targeted in the September 2023 quarter. A Definitive Feasibility Study (“DFS”) on the expansion of Vidalia’s production capacity to at least 45ktpa AAM, inclusive of 11.25ktpa AAM, is underway. Detailed engineering, procurement, and construction phases for the subsequent expansion of Vidalia will follow the DFS sequentially, subject to Syrah Board approval and customer and financing commitments.

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.

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. 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.