

ASX Announcement / Media Release

8 April 2024

Syrah natural graphite sales and market update

Syrah makes first large volume Balama natural graphite fines sale to Indonesia

Syrah Resources Limited (ASX: SYR) (“Syrah” or the “Company”) is pleased to announce it has sold and delivered a 10kt break bulk shipment of natural graphite fines from its Balama Graphite Operation (“Balama”) in Mozambique to PT Indonesia BTR New Energy Materials in Indonesia, its first large volume natural graphite sale to a battery supply chain participant destination outside China. This break bulk sale follows a trial container shipment of Balama natural graphite fines to Indonesia in the March 2024 quarter. Unlike Syrah’s normal approach to longer term sales contracts, the details of this large volume spot priced sale were finalised concurrent with delivery and payment.

This natural graphite sale is a further important development in the Company’s sales strategy to transition Balama natural graphite sales to a more geographically diversified and commercially aligned customer base and highlights Syrah’s unique position in natural graphite and AAM supply outside of China.

BTR New Materials Group Co Ltd is constructing, in joint venture, a US\$478 million active anode material (“AAM”) facility in Indonesia of 80ktpa AAM production capacity, which is expected to commence production in 2024. Syrah aims to develop further natural graphite fines sales to PT Indonesia BTR New Energy Materials that demonstrate Balama’s provenance and quality considering evolving market dynamics.

China graphite market update

Syrah’s March 2024 quarter natural graphite sales were similar to December 2023 quarter natural graphite sales. For most of the March 2024 quarter natural graphite demand conditions in China have been impacted by uncertainty related to the granting of China graphite export licences.

Release of China graphite export statistics for January and February 2024 by the General Administration of Customs was delayed to late March 2024. The China graphite export statistics in January and February 2024 show:

- Natural graphite fines and coarse flake exports were extremely limited;
- Purified spherical graphite exports were 25-40% of the 2023 monthly average and limited to South Korea; and
- AAM exports normalised to 2023 average monthly levels in February 2024.

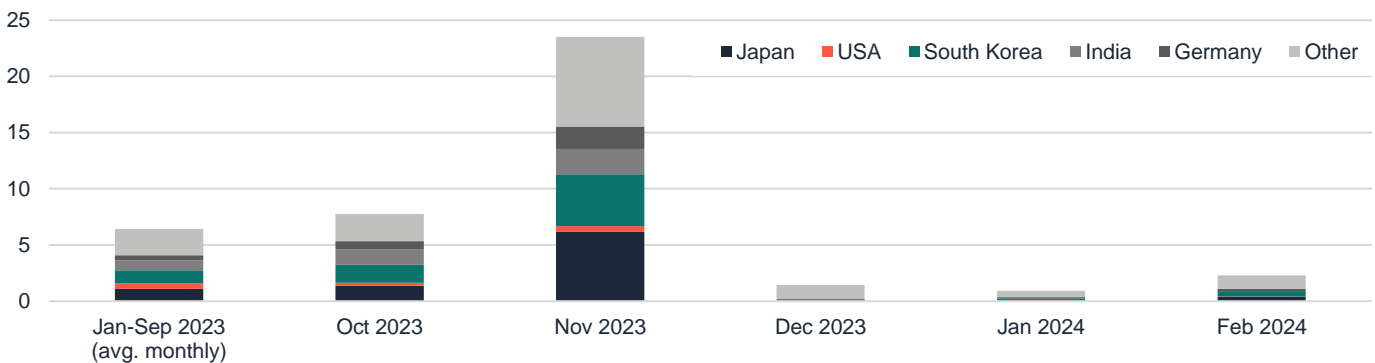


Figure 1: China natural graphite exports (kt)¹.

¹ Source: Datamyne and Chinese customs data. Natural graphite includes high purity and expandable graphite.

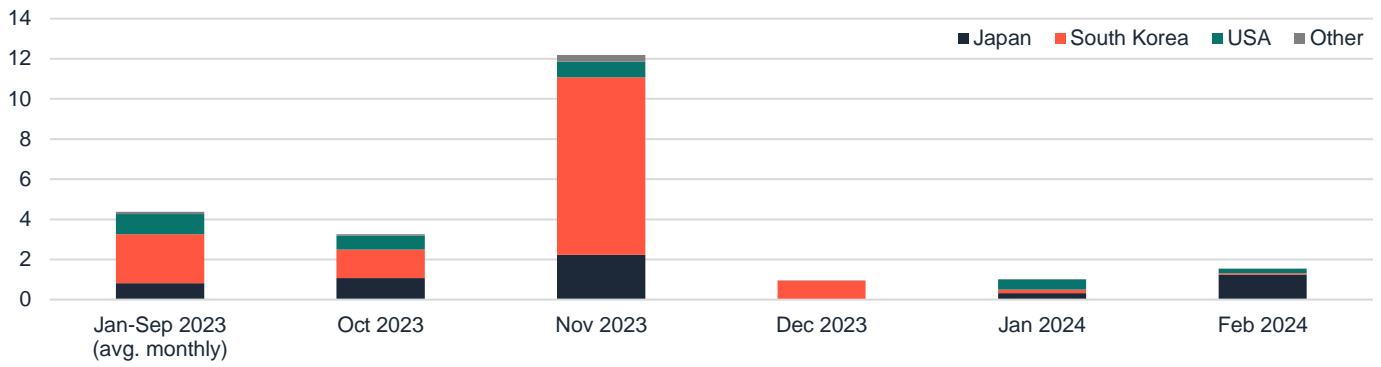


Figure 2: China spherical graphite exports (kt)¹.

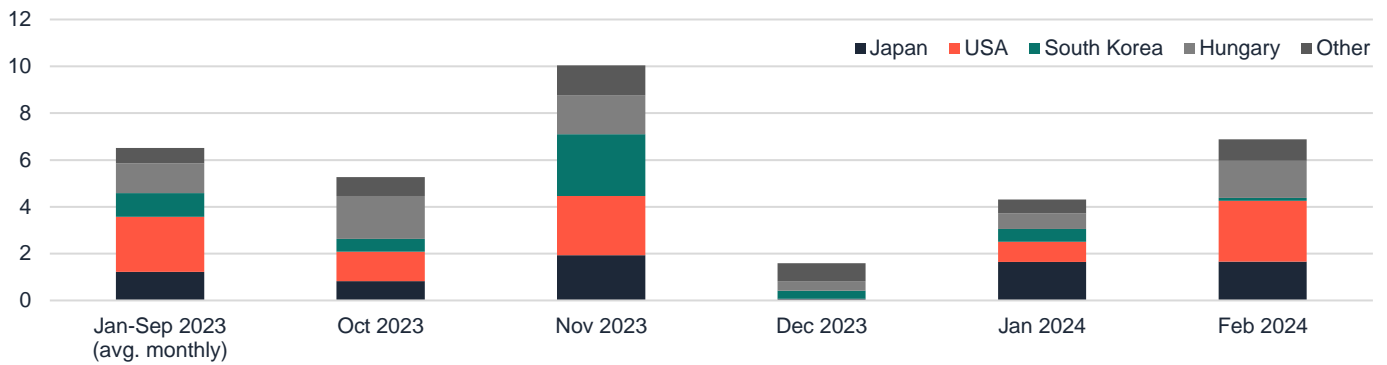


Figure 3: China natural graphite AAM exports (kt)¹.

An apparent increase in the granting of China export licences is expected to support higher natural graphite fines demand as consumption and re-stocking flow through the Chinese anode supply chain.

Market conditions for coarse flake natural graphite are positive with constrained global supply and relatively stable demand conditions leading to price support.

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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