

18 January 2021

Mr Simon Barcham  
Adviser, Listings Compliance (Perth)  
ASX Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
PERTH WA 6000  
E: [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au) and [Simon.Barcham@asx.com.au](mailto:Simon.Barcham@asx.com.au)

Dear Simon

### **ECOGRAF LIMITED (ASX: EGR) – PRICE AND VOLUME QUERY**

We refer to your letter dated 18 January 2021 (**ASX Letter**) and respond to your questions as follows:

- 1) **Is EGR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**

EGR is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities.

- 2) **If the answer to question 1 is “yes”.**

- a) **Is EGR relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in EGR’s securities would suggest to ASX that such information may have ceased to be confidential and therefore EGR may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.**

N/A.

- b) **Can an announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).**

N/A.

- c) **If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?**

N/A.



**3) If the answer to question 1 is “no”, is there any other explanation that EGR may have for the recent trading in its securities?**

EGR is aware of strong European growth in the lithium battery sector, combined with new EU legislation on batteries that supports EGR’s vertically integrated graphite businesses.

As a result, there is increasing interest in the battery mineral sector and the potential for EGR to use its EcoGraf™ purification technology to provide electric vehicle and battery manufacturers with an environmentally superior, high quality source of battery graphite.

**Battery Graphite Manufacturing Facility**

EGR is making encouraging progress in relation to securing approvals for a US\$35 million debt funding arrangement for the new Kwinana development. The Development Report, Independent Market Study, updated financial model, feasibility and engineering studies have been provided for lender analysis and the Company is working with the lender through the approval process.

In parallel, work is being undertaken to finalise the EPC contract, feedstock supply contract, operations and maintenance arrangements and the early works program that will facilitate commencement of the detailed engineering design works.

EGR also remains confident of finalising further sales and offtake arrangements as discussions advance with existing customers in Europe and Asia.

The proposed 20,000 tonne per annum facility will manufacture battery anode products for export to Asia, Europe and North America using a superior, environmentally responsible purification technology, to provide customers with sustainably produced, high performance battery anode graphite.

**Recycling**

EGR is also making positive progress with its ongoing recycling test work with customers, including leading electric vehicle and battery manufacturers.

A proposal is being finalised to undertake engineering design works for a containerised pilot plant, supported by the recent positive results of up to 99.8% carbon achieved during testing with potential European customers on the recovery of high purity carbon anode material from battery black mass. EGR blended carbon anode material provides a unique recycled product that is consistent with the recent legislative changes in the EU to promote greater recycling.

**Epanko Mine Development**

EGR continues to progress the US\$60m debt financing of the new Epanko graphite mine and following positive feedback from a presentation of the KfW IPEX-Bank debt financing proposal to the Tanzanian Government in August, Government due diligence processes have commenced with a view to preparing an internal submission for formal approval.

The US\$60m debt financing proposal accommodates the Government’s requirements under the new mineral sector legislation and provides an opportunity for Tanzania to develop a world class graphite mine in the Ulanga District, Morogoro Region that will operate under globally leading Equator Principles for social and environmental planning, including International



Finance Corporation Performance Standards and World Bank Group Environmental, Health and Safety Guidelines.

- 4) **Please confirm that EGR is complying with the Listing Rules, and in particular, Listing Rule 3.1.**

EGR confirms it is complying with the ASX Listing Rules, in particular Listing Rule 3.1.

- 5) **Please confirm that EGR's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of EGR with delegated authority from the board to respond to ASX on disclosure matters.**

EGR confirms its responses to the above questions have been authorised and approved by an officer of EGR with delegated authority from the board to respond to ASX on disclosure matters.

Authorised for release by an officer of EGR with delegated authority from the board.

Yours sincerely  
**EcoGraf Limited**

**Howard Rae**  
**Chief Financial Officer and Company Secretary**



18 January 2021

Reference: 29625

Mr Howard Rae  
Company Secretary  
EcoGraf Limited

By email:

Dear Mr Rae

**EcoGraf Limited ('EGR'): Price and Volume - Query**

ASX refers to the following:

- A. The change in the price of EGR's securities from a low of \$0.18 at the close of trading on 15 January 2021, to an intraday high of \$0.245 today.
- B. The significant increase in the volume of EGR's securities traded from 14 January 2021 to 18 January 2021.

**Request for information**

In light of this, ASX asks EGR to respond separately to each of the following questions and requests for information:

1. Is EGR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
  - (a) Is EGR relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in EGR's securities would suggest to ASX that such information may have ceased to be confidential and therefore EGR may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that EGR may have for the recent trading in its securities?
4. Please confirm that EGR is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that EGR's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of EGR with delegated authority from the board to respond to ASX on disclosure matters.

**When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:30 PM AWST Monday, 18 January 2021**. You should note that if the information

---

requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, EGR's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require EGR to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in EGR's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in EGR's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to EGR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that EGR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

---

## Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

---

**Simon Barcham**  
Adviser, Listings Compliance (Perth)