ASX Announcement
By eLodgement
28 June 2022

Drilling commences at Springdale

HIGHLIGHTS

- **International Graphite Limited (ASX: IG6) has commenced drilling at its graphite resource at Springdale in southern Western Australia.**
- **Reverse circulation and diamond drill rigs have commenced a 7,100m drilling program which aims to expand mineral resources and upgrade existing mineral resource estimates from inferred to indicated status.**
- **The drilling program is also targeting additional zones considered highly prospective for high quality graphite mineralisation.**
- **Drilling will also generate graphite samples for the next stages of metallurgical testwork and downstream processing at International Graphite's Collie facility.**

Two drilling rigs have mobilised and begun working at International Graphite's Springdale tenements, near Hopetoun, on the south coast of Western Australia.

The campaign aims to actively explore for new graphite targets and to expand and upgrade the existing resource from inferred to indicated status. It builds on previous investigation by Comet Resources Ltd (ASX:CRL) and is the first on-ground program of work since International Graphite acquired the tenements in April this year.

International Graphite Executive Chairman Phil Hearse said the company was pushing ahead to develop its Springdale resource as quickly as possible.

"Springdale is a vital asset that closes the loop on our plans to establish a new battery graphite supply chain in Western Australia," Mr Hearse said.

"Analysts are forecasting a worldwide graphite shortage by 2025 as electric vehicles and renewable energy drive demand for batteries, so speed to market is becoming very important.[i]

"As a source of high-grade graphite feedstock, Springdale will be key to our ability to produce battery anode graphite to help meet growing demand in Australia and global markets.

"In the short term, samples from Springdale will be used to advance metallurgical testwork and to refine the flowsheet for production of battery anode material at Collie."

Drilling program underway

A program comprising 54 drill holes of approximately 3,300m of reverse circulation drilling and 12 holes of approximately 900m of diamond drilling has commenced at Springdale. Exploration will target the Western Zone and Eastern Zone resource domain to improve the confidence of the resource and to provide additional samples for ongoing metallurgical test work and data for initial geotechnical assessments and mine planning (see Figure 4).

In addition, 37 RC holes of approximately a further 3,000m will be drilled to further explore the Western and Eastern zones. Subject to customary approvals, a similar program is expected to follow on the Northern Zone Resource.

International Graphite has estimated an **Exploration Target**[1] **(excluding the existing Mineral Resource Estimate) of 18 – 54Mt @ 4 – 18% TGC**, based on a combination of mapping, previous drilling and geophysical modelling of electro-magnetic (EM) data. Graphite mineralisation is typically highly conductive making electromagnetic geophysical mapping techniques effective.

Figure 1: *Left-right: Geologist Darren Sparks, Executive Chairman Phil Hearse, Community Relations Manager Ian Gale, and landowner Richard Wickstein on site with the RC drill rig.*

Cautionary Statement

The Exploration Targets reported in this announcement are not Mineral Resources. The potential quantity and grade of the Exploration Targets are conceptual in nature and there has been insufficient exploration to determine a Mineral Resource. There is no certainty that additional exploration work will result in the estimation and reporting of Mineral Resources.

Springdale Graphite Project

The Springdale Graphite Project is located on the western margin of the Esperance-Goldfields District in Western Australia. The Project is 25km from the Ravensthorpe nickel mine and 45km from the Galaxy lithium mine in an emerging mining hub around the town of Ravensthorpe

Springdale is a shallow graphite deposit with excellent metallurgical characteristics for battery anode material and extensive prospectivity for additional resources. Subject to definition of JORC reserves, International Graphite intends to develop an operation at Springdale that will produce graphite concentrates as primary feedstock for the Company's planned downstream processing facilities at Collie.

[1] Refer to the Company's Announcement dated 30 May2022

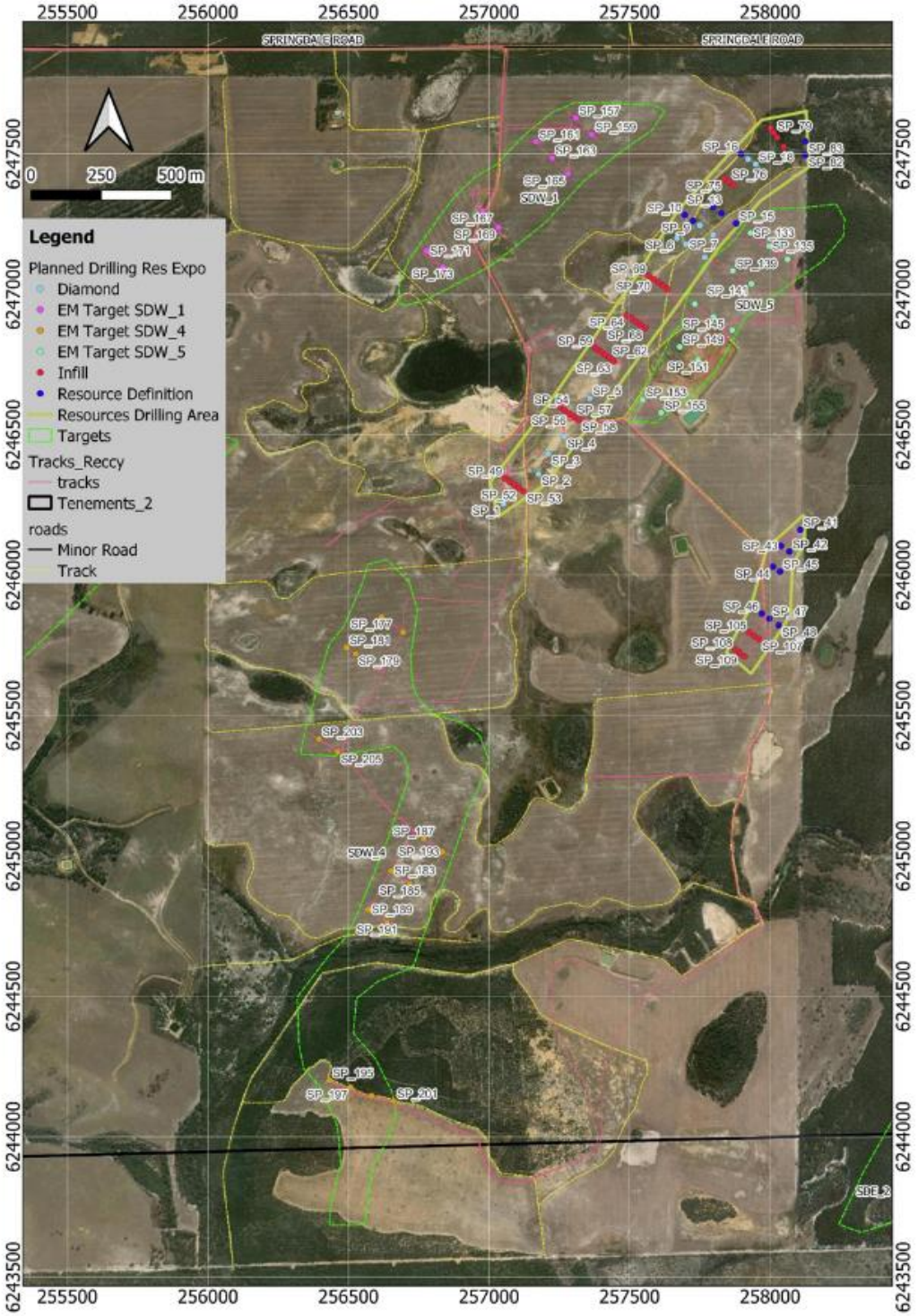

Figure 4: *Planned drill holes*

Springdale has a demonstrated endowment for high-quality graphite mineralisation with a current JORC Compliant Inferred Mineral Resource Estimate (MRE) of 15.6Mt @ 6% TGC including a high-grade component of 2.6Mt @ 17.5% TGC (See Table 1 for details). [2]

[2] Refer to the Company's Prospectus dated 21 February 2022 as updated by the Supplementary Prospectus dated 4 March 2022 for further details regarding the Mineral Resource Estimate, including the Independent Technical Assessment Report in respect of the Springdale Project.

Domain	Tonnes (Mt)	Density (t/m³)	Graphite (TGC%)	Classification
High-grade	2.6	2.1	17.5	Inferred
Low grade	13.0	2.2	3.7	Inferred
Total	**15.6**	**2.2**	**6.0**	**Inferred**

Table 1: *Springdale Project Inferred Mineral Resource Estimate*

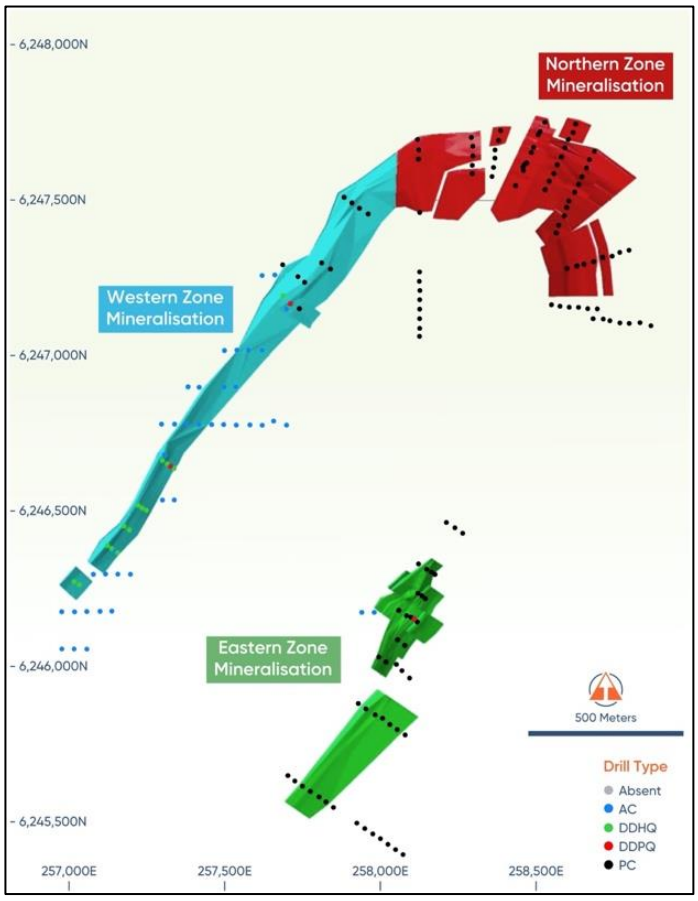

Figure 5: *Mineralisation zones and distribution of drilling used in the Inferred MRE*

The Exploration Target is derived from the areas identified in Figure 5 as SDW_1, SDW_2, SDW_3, SDW_4, SDE_1 and SDE_2. Drillholes highlighted are either single holes or single fence (SDE_1) and all conductors remain completely open and are considered untested for economic quantities of graphite. The areas are summarised as follows and ranked VTEM conductors and size potential detailed below in Table 2.

Target	Target Case	RL	Ave Thickness (m)	Volume (m^3)	G	Tonnes	Grade Range (% TGC)	
SDW_1 950m strike	Low	0 – 100m	5	475,000	2.1	997,500	4	18
	Mid		10	950,000	2.1	1,995,000	4	18
	High		15	1,425,000	2.1	2,992,500	4	18
SDW_2 3800m strike	Low	0 – 100m	5	1,900,000	2.1	3,990,000	4	18
	Mid		10	3,800,000	2.1	7,980,000	4	18
	High		15	5,700,000	2.1	11,970,000	4	18
SDW_3 950m strike	Low	0 – 100m	5	465,000	2.1	976,500	4	18
	Mid		10	930,000	2.1	1,953,000	4	18
	High		15	1,395,000	2.1	2,929,500	4	18

Target	Target Case	RL	Ave Thickness (m)	Volume (m^3)	G	Tonnes	Grade Range (% TGC)	
SDW_4 2600m strike	Low	0 – 100m	5	1,300,000	2.1	2,730,000	4	18
	Mid		10	2,600,000	2.1	5,460,000	4	18
	High		15	3,900,000	2.1	8,190,000	4	18
SDW_5 980M strike	Low	0 – 100m	5	490,000	2.1	1,029,000	4	18
	Mid		10	980,000	2.1	2,058,000	4	18
	High		15	1,470,000	2.1	3,087,000	4	18
SDE_1 7000m strike	Low	0 – 100m	5	3,500,000	2.1	7,350,000	4	18
	Mid		10	7,000,000	2.1	14,700,000	4	18
	High		15	10,500,000	2.1	22,050,000	4	18
SDE_2 900m strike	Low	0 – 100m	5	450,000	2.1	945,000	4	18
	Mid		10	900,000	2.1	1,890,000	4	18
	High		15	1,350,000	2.1	2,835,000	4	18
Total	**Low**	**0 – 100m**	**5**	**8,580,000**	**2.1**	**18,018,000**	**4**	**18**
	Mid		**10**	**17,160,000**	**2.1**	**36,036,000**	**4**	**18**
	High		**15**	**25,740,000**	**2.1**	**54,054,000**	**4**	**18**

Table 2: *Springdale Project exploration target potential range*

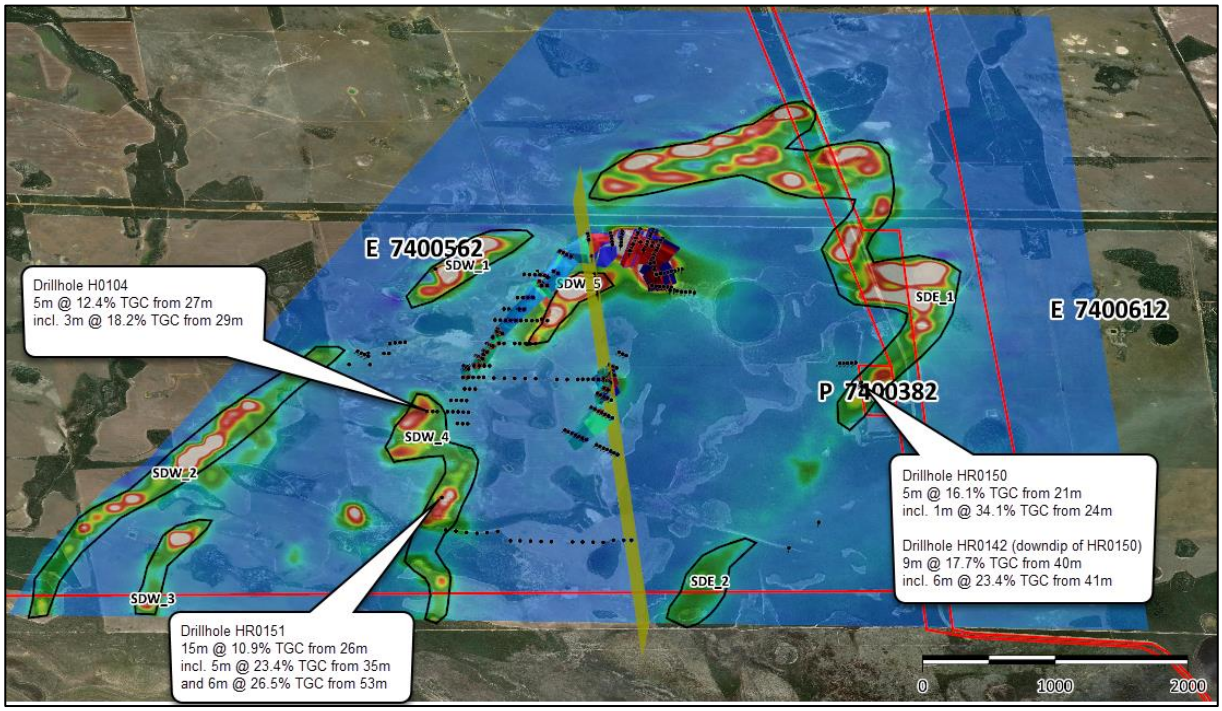

Figure 6: *Airborne Electromagnetic Image showing graphite stratigraphic targets in relation to the MRE*

COMPETENT PERSONS STATEMENT

The information in this announcement which relates to exploration targets, exploration results or mineral resources is based on information compiled by Mr. Darren Sparks and reviewed by Mr. Peter Langworthy. Mr. Sparks is the Principal Consultant and fulltime employee of OMNI GeoX Pty Ltd. He is a member of the Australian Institute of Geoscientists ("AIG"). Mr. Sparks and Mr. Langworthy have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr. Sparks and Mr. Langworthy consents to the inclusion of the information in this announcement in the form and context in which it appears.

The Competent Person confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

This announcement has been authorised for release by the Board of Directors of International Graphite.

Phil Hearse
Executive Chairman

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ABOUT INTERNATIONAL GRAPHITE

International Graphite is an emerging supplier of processed graphite products, including battery anode material, for the global electric vehicle and renewable energy markets.

The Company is developing a sovereign Australian 'mine to market' capability, with integrated operations wholly located in Western Australia. The Company intends to build on Australia's reputation for technical excellence and outstanding ESG performance with future mining and graphite concentrate production from its 100% owned Springdale Graphite Project and commercial scale downstream processing at Collie. International Graphite is listed on the Australian Securities Exchange (ASX: IG6) and Tradegate and Frankfurt Stock Exchange (FWB: H99, WKN: A3DJY5) and is a member of the European Battery Alliance (EBA250) and European Raw Minerals Alliance (ERMA).

[i] Benchmark Mineral Intelligence Q4 2021 Forecast