

29 March 2023

KENESAR GRAPHITE EXPLORATION PROJECT

Sarytogan Graphite Limited (ASX: SGA, "the Company" or "Sarytogan") is pleased to announce that its 100% owned subsidiary Ushtogan LLP has been granted a licence to explore the Kenesar Graphite Exploration Project ("Kenesar") in northern Kazakhstan.

Highlights

- Brand new 309 km² exploration licence in northern Kazakhstan granted for six years.
- The geology at Kenesar is prospective for graphite mineralisation, complementary to the premium micro-crystalline graphite at Sarytogan's flagship Sarytogan Graphite Project.
- Kenesar leverages Sarytogan's exploration team's skills to operate skilfully and efficiently in Kazakhstan.
- An EM geophysical survey is planned, with the highest priority targets scheduled for exploration drilling during the 2023 field season.

Sarytogan Managing Director, Sean Gregory commented:

"Sarytogan's sustainable competitive advantage is our in-country exploration team's ability to identify, explore and develop mining projects in Kazakhstan. As we move into the studies phase for the giant and premium microcrystalline Sarytogan Graphite Project, our new Kenesar project provides a relatively low-cost opportunity to leverage our future position in the graphite market."



Figure 1 - Outcropping graphitic schist at Kenesar.

Location and Tenure

Kenesar is located in Akmola Province, northern Kazakhstan (Figure 2). The region has well-developed infrastructure of highway roads, railways and high-voltage powerlines. The Kenesar area is connected by highway to Kazakhstan's capital Astana (270km) and is 40km away from regional centre Kokshetau city (population 170,000). The nearest railway station is 15km away by bitumen road. The distance by highway from the Sarytogan Graphite Project to the Kenesar Exploration Project is 660km.

Sarytogan Graphite Limited's 100% owned subsidiary company Ushtogan LLP has now been granted an exploration licence to explore 150 graticular blocks (309 km²) for minerals.



Figure 2 - Kenesar and Sarytogan Project Locations

Geological Setting

The geology at Kenesar consists of Pre-Cambrian strata-formations controlled by NW-striking regional structures of the Kokshetau Shield (Figure 3).

The Pre-Cambrian formations are represented by a variety of regionally metamorphosed rocks: quartz-muscovite schists, gneisses, chlorite-biotite- and garnet-sillimanite schists. The strata-formations are intensively folded and overprinted by predominately NW-trending regional faults.

The strata-bound graphite mineralization occurs in quartzites and various schists as bands, lenses and disseminated crystals (Figure 1). The extension of the graphite-bearing formations within Kenesar tenement is 30km by width 3 to 8km.

Mineralisation Potential

According to historic mineralogical studies, the concentration of the graphite varies in thin sections from 5% to 25%. Crystals of graphite have also been observed in thin sections of rocks sampled from Kenesar by Sarytogan's geological team (Figure 4).

The Pre-Cambrian graphitic schists at Kenesar are prospective for graphite mineralisation. In contrast to the Sarytogan Graphite Deposit, which was formed by contact metamorphism, the rocks at Kenesar have been subject to regional metamorphism. This geology is known to host flake graphite deposits elsewhere globally. Any economic graphite mineralisation discovered at Kenesar could be complementary to the premium micro-crystalline graphite at Sarytogan's flagship Sarytogan Graphite Deposit.

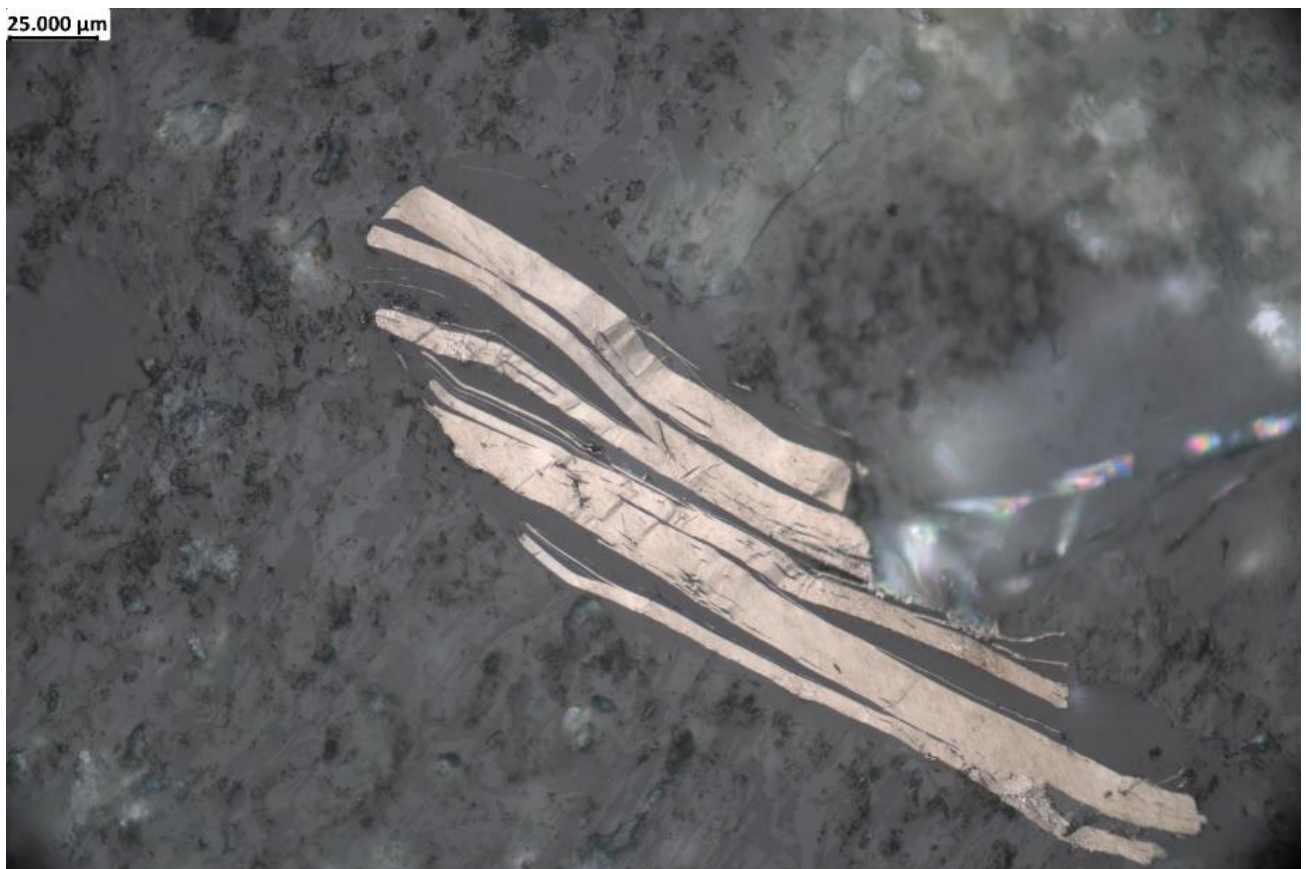


Figure 4 - Thin section of graphitic schist from Kenesar

Exploration Plan

While graphitic schists are observed in outcrop in many areas (Figure 3), much of the prospective formation is obscured by shallow Quaternary sediments. To identify the higher-grade and shallower graphitic mineralisation, Sarytogan has planned an Electromagnetic (EM) survey over the project. Exploration drilling is planned for the highest priority targets identified by the EM survey during the 2023 field season. Regular exploration results are expected to flow throughout the year.

This announcement is authorised by:

Sean Gregory

Managing Director

About Sarytogan

The Sarytogan Graphite Deposit is located in the Karaganda region of Central Kazakhstan. It is 190km by highway from the industrial city of Karaganda, the 4th largest city in Kazakhstan (Figure 5).

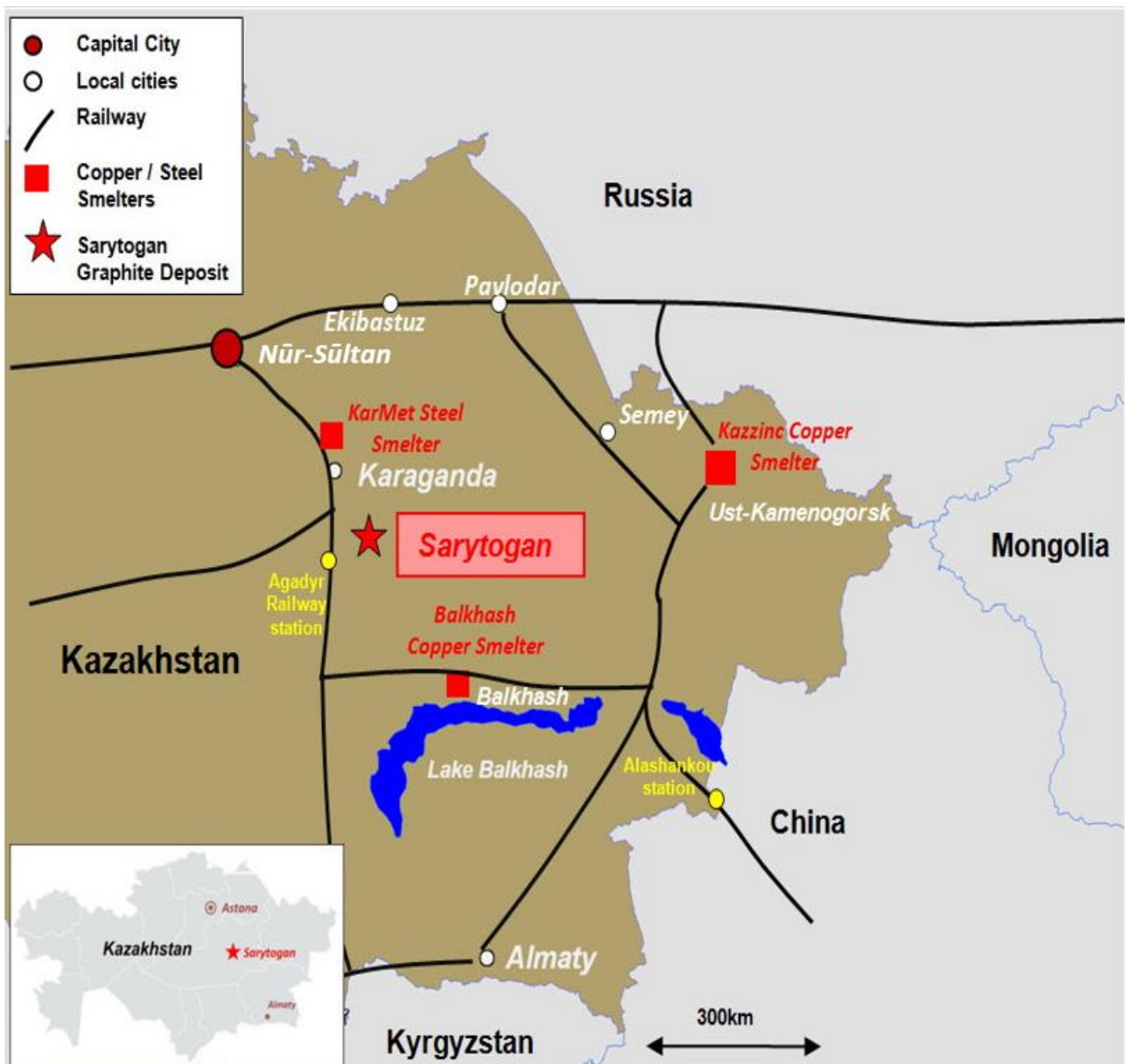


Figure 5 - Sarytogan Graphite Deposit location

The Sarytogan Graphite Deposit was first explored during the Soviet era in the 1980s with sampling by trenching and diamond drilling. Sarytogan's 100% owned subsidiary Ushtogan LLP resumed exploration in 2018. An Indicated and Inferred Mineral Resource has recently been estimated for the project by AMC Consultants totalling **229Mt @ 28.9% TGC** (Table 1). Sarytogan has upgraded the mineralisation to **99.87%** purity by flotation, alkali roasting, and chemical purification (refer ASX Announcement 6 December 2022) and is pursuing a strategy to supply high-quality anode material for the rapidly growing electric vehicle battery market.

Table 1 - Sarytogan Graphite Deposit Mineral Resource (> 15% TGC). Refer ASX announcement 27 March 2023.

Zone	Classification (JORC Code)	In-Situ Tonnage (Mt)	Total Graphitic Carbon (TGC %)	Contained Graphite (Mt)
North	Indicated	87	29.1	25
	Inferred	81	29.6	24
	Total	168	29.3	49
Central	Indicated	39	28.1	11
	Inferred	21	26.9	6
	Total	60	27.7	17
Total	Indicated	126	28.8	36
	Inferred	103	29.1	30
	Total	229	28.9	66

Competent Person's Statement

The information in this report that relates to Kenesar Exploration Results is based on information compiled by the Dr Waldemar Mueller, a full time employee, Technical Director and major shareholder of the Company. Dr Mueller has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Mueller consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Sarytogan Exploration Results before 2022 was first reported in the Prospectus dated 23 February 2022 and published on ASX on 14 July 2022. The information relating to 2022 Sarytogan Exploration Results was first reported in ASX Announcements dated 15 August 2022, 19 September 2022, 12 October 2022, 8 November, 6 December 2022 and 16 January 2023. These reports are available at www.asx.com.au. The information in this report that relates to Sarytogan Mineral Resources was first reported in ASX announcement dated 27 March 2023.

The Company confirms that it is not aware of any new information or data that materially affects the information included in relevant market announcements 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 Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	Hand specimens were taken by the Sarytogan geological team
<i>Drilling techniques</i>	Not applicable
<i>Drill sample recovery</i>	Not applicable
<i>Logging</i>	Not applicable
<i>Sub-sampling techniques and sample preparation</i>	Thin sections were cut, prepared, analysed and photographed by Microanalysis Australia Pty Ltd in Perth, Western Australia.
<i>Quality of assay data and laboratory tests</i>	Not Applicable
<i>Verification of sampling and assaying</i>	Not applicable
<i>Location of data points</i>	Not applicable
<i>Data spacing and distribution</i>	Not applicable
<i>Orientation of data in relation to geological structure</i>	Not applicable
<i>Sample security</i>	Control over the security of samples is carried out throughout the entire process. Each sample is assigned a unique number. The samples are transferred (with the corresponding orders and sample registers) to laboratory in Perth, Western Australia. In the sample preparation laboratory, each sample underwent the entire processing cycle in compliance with all necessary requirements for the preservation of samples and the prevention of their contamination.
<i>Audits or reviews</i>	Not audits have been conducted.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<p>The exploration licence 1968-EL was issued to Ushtogan LLP on 28/02/2023 for a period of six years. The exploration concession covers 150 graticular blocks or 309km².</p> <p>There are no other mineral deposits or protected natural areas within the concession area.</p>
<i>Exploration done by other parties</i>	Historic mineralogical studies, estimated the concentration of the graphite to vary in thin sections from 5% to 25%.
<i>Geology</i>	<p>The geology at Kenesar is Pre-Cambrian strata-formations controlled by NW-striking regional structures of the Kokshetau Shield (Figure 3).</p> <p>The Pre-Cambrian formations are represented by variety of regionally metamorphosed rocks: quartz-muscovite schists, gneisses, chlorite-biotite- and garnet-sillimanite schists. The strata-formations are intensively folded and overprinted by predominately NW-trending regional faults.</p> <p>The strata-bound graphite mineralization occurs in quartzites and various schists as bands, lenses and disseminated crystals (Figure 1). The extension of the graphite-bearing formations within Kenesar tenement is 30km by width 3 to 8km.</p>
<i>Drill hole Information</i>	Not applicable
<i>Data aggregation methods</i>	Not applicable
<i>Relationship between mineralisation widths and intercept lengths</i>	Not applicable.
<i>Diagrams</i>	Refer to diagrams in body of text.
<i>Balanced reporting</i>	Not applicable
<i>Other substantive exploration data</i>	Not applicable
<i>Further work</i>	While graphitic schists are observed in outcrop in many areas (Figure 3), much of the prospective formations is obscured by shallow Quaternary sediments. To identify the higher-grade and shallower graphitic mineralisation, Sarytogan has planned an EM survey over the project. Exploration drilling is planned for the highest priority targets identified by the IP survey during the 2023 field season.