

EVOLUTION
ENERGY MINERALS

**CORPORATE
PRESENTATION**

February 2024

ASX:EV1

evolutionenergyminerals.com.au



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Mineral Resources

The information in this presentation that relates to the Mineral Resource estimate for the Chilalo Graphite Project is extracted from the report titled "Prospectus" released to the ASX on 12 November 2021 and available to view at <https://evolutionenergyminerals.com.au/>.

Evolution confirms that it is not aware of any new information or data that materially affects the information included in the original report and that all material assumptions and technical parameters underpinning the Mineral Resource estimate for the Chilalo Graphite Project continue to apply and have not materially changed.

Evolution confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original report and that the Competent Person's consent remains in place for subsequent releases by Evolution of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report or accompanying consent.

Ore Reserve Estimate

The information in this presentation that relates to the Ore Reserve estimate for the Chilalo Project is based on information compiled by Andrew Hutson, a Competent Person, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Andrew Hutson is employed by Resolve Mining Solutions. Mr Hutson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the JORC Code 2012 Edition. Mr Hutson consents to the inclusion of such information in this presentation in the form and context in which it appears.

Production Target and Forecast Financial Information

In relation to the results of the Updated Definitive Feasibility Study (Updated DFS) announced on 20 March 2023 that are included in this presentation, the Company confirms that all material assumptions underpinning the production target and forecast financial information included in the original market announcement continue to apply and have not materially changed. The results reported in the Updated DFS are reported on a 100% ownership basis. On completion of the Framework Agreement and Shareholders' Agreement with the Government of Tanzania, as announced on 18 April 2023, the Company holds an 84% interest in the Chilalo Project, the remaining 16% interest being held by the Government of Tanzania.

Risks Associated with BTR Transactions

The arrangements between Evolution and BTR are subject to a variety of conditions precedent. The conditions precedent to the Offtake Agreement include (amongst others) the parties executing a downstream cooperation agreement before 31 March 2024, the necessary finance for the construction of the Chilalo Project having been obtained, and construction commenced, in each case on or before 31 March 2024. The downstream collaboration is a non-binding MOU, with detailed terms yet to be negotiated or agreed.

Accordingly, investors are cautioned that there is no certainty that these transactions with BTR will be finalised, either on the currently agreed terms or at all. Please refer to the ASX announcement dated 16 August 2023 and 30 October 2023 for further information.

Poised for Vertical Integration into Battery Anodes



Development-ready
coarse flake Chilalo
Graphite Project in
Tanzania



Chilalo produces
battery graphite at
negative cash costs



Product quality
validation – offtakes
with global leaders



Strategic investor
complements project
financing process



Unique collaboration
with world's leading
battery anode producer
for vertical integration

STRATEGIC COLLABORATION WITH BTR

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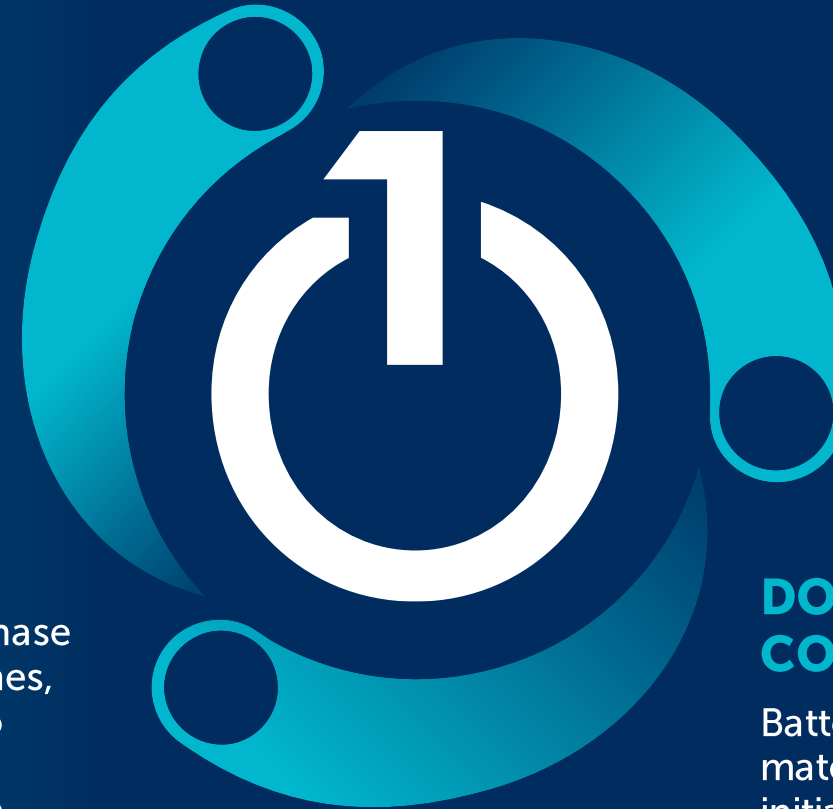
BTR

3 Pillars

to deliver product validation, enhance project financing and fast-track downstream value creation

INVESTMENT

BTR to become 9.9% shareholder



OFFTAKE

BTR to purchase all Chilalo fines, with plans to transition to downstream processing

DOWNSTREAM COLLABORATION

Battery anode materials, initially North America focused

BTR Profile

#1 global battery anode leader

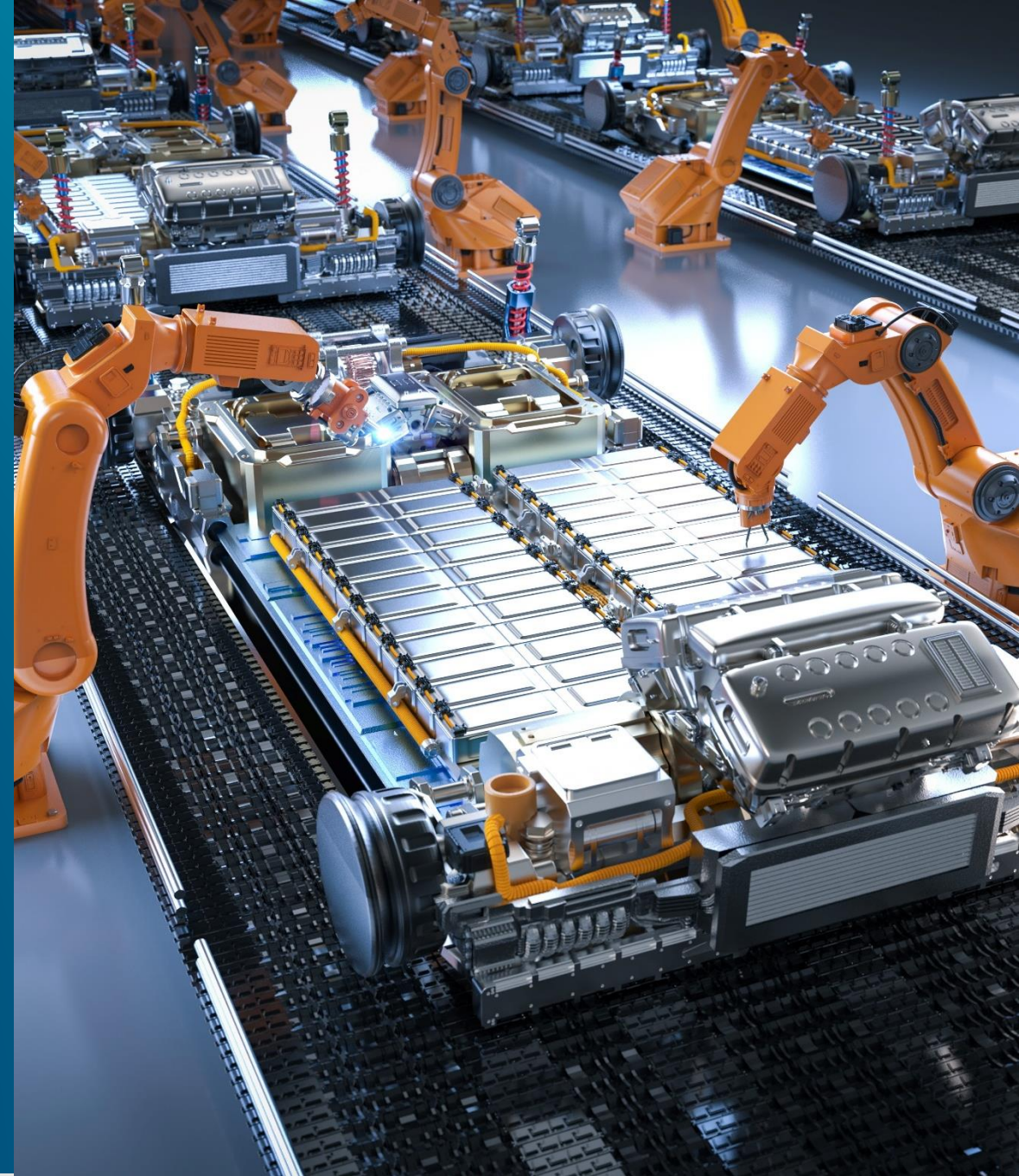
- 🔌 Listed on the Beijing Stock Exchange (market cap US\$3.4 billion)
- 🔌 26% overall anode market share, 60% natural graphite anode market share
- 🔌 Within China, BTR have 5 natural graphite production bases, 9 synthetic graphite production bases, 2 silicon anode production bases and 3 graphene production bases
- 🔌 80,000tpa anode plant under construction in Indonesia
- 🔌 Tier 1 customer base:



Panasonic



CATL



Corporate Overview

261.2M³

Shares on Issue

\$0.115

Share price

\$30.1M³

Market Cap

48.9M¹

Unlisted Options

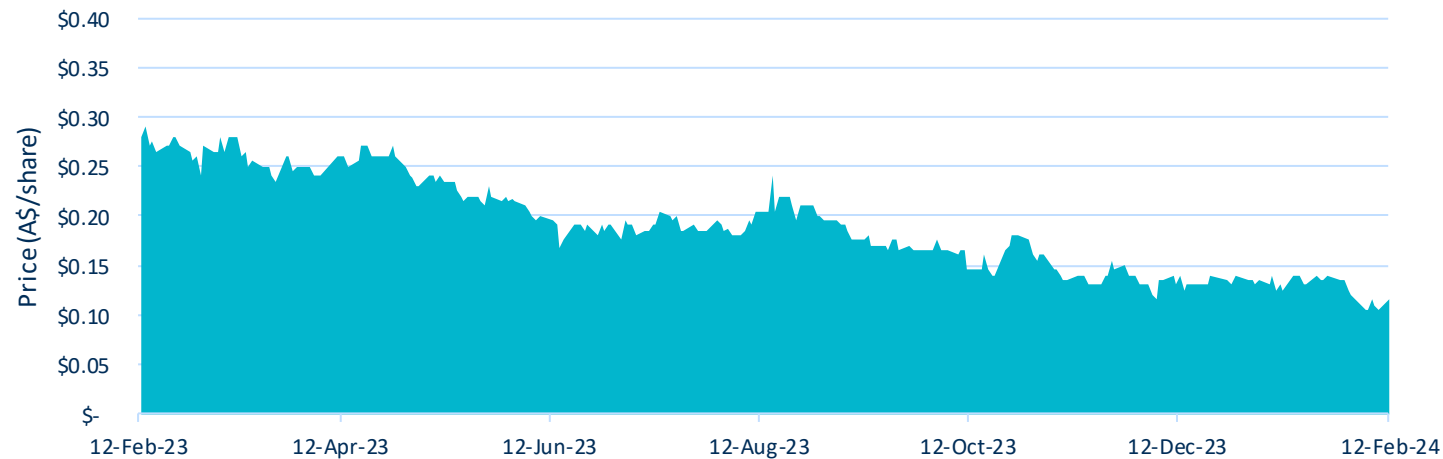
\$1.5M²

Cash *(as at 31 Dec 2023)*

\$28.6M³

Enterprise Value

Share Price (12 months)



1. 42.1M options at \$0.25 exercise price, 6.8M options at nil exercise price, subject to performance-related vesting criteria
2. Note that 31 Dec cash + \$1.1M ARCH placement + \$3.6M BTR placement = 31 Dec pro-forma \$6.2M
3. Pro-forma post BTR settlement.

Major Shareholders³

ARCH Sustainable Resources Fund	22.26%
Marvel Gold Limited	19.14%
BTR New Materials Group	9.90%
Amati Strategic Metals Fund	3.80%
Barolo EV1 CT Pty Ltd	2.78%
Auramet Capital Partners	2.73%

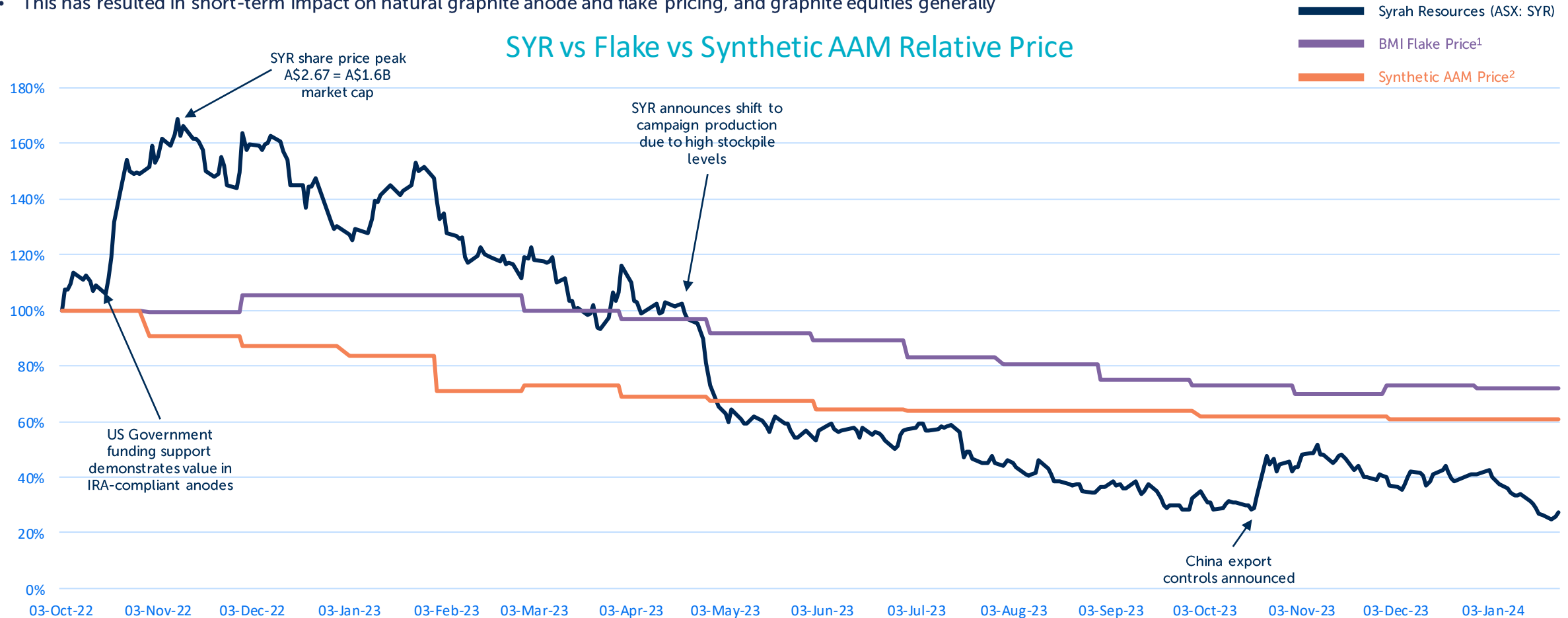


GRAPHITE MARKET ANALYSIS

Synthetic Graphite Causing Short-Term Headwinds

But is it a long-term threat to natural graphite?

- Reduction in graphitization costs over the last 12 months has caused a reduction in synthetic graphite pricing
- This has resulted in short-term impact on natural graphite anode and flake pricing, and graphite equities generally



Source

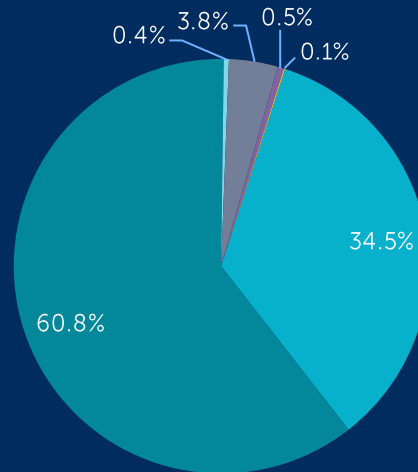
1. Benchmark Mineral Intelligence, -100 mesh 94-95%C
2. ICC Sino

Synthetic vs Natural

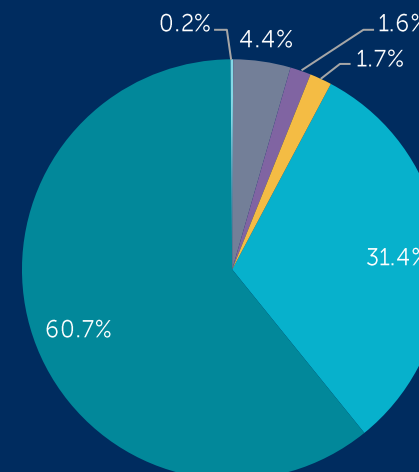
Is synthetic a long-term threat?

Synthetic graphite and natural graphite bring different performance characteristics to the anode and are often blended – neither is expected to replace the other long term

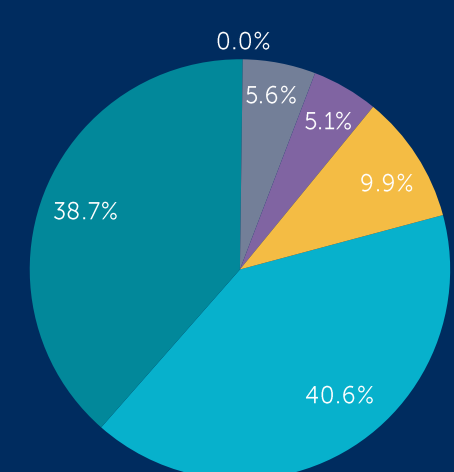
2023 Anode Market Share



Predicted 2030 Anode Market Share



Predicted 2040 Anode Market Share



Source: Benchmark Mineral Intelligence

■ Natural
 ■ Synthetic
 ■ MCB
 ■ Silicon
 ■ LTO
 ■ Other

Characteristic	Technical			ESG	Economic	
	Energy Density	Cycle Life	Impurities, Uniformity	Carbon Footprint	Production Cost	Price
Natural	✓			✓	✓	✓
Synthetic		✓	✓			



CHILALO GRAPHITE PROJECT

Southeast Tanzania

Chilalo's Competitive Advantage

Product quality drives economics and strategic interest

1

Coarse flake credits – produce battery graphite at negative cash cost

2

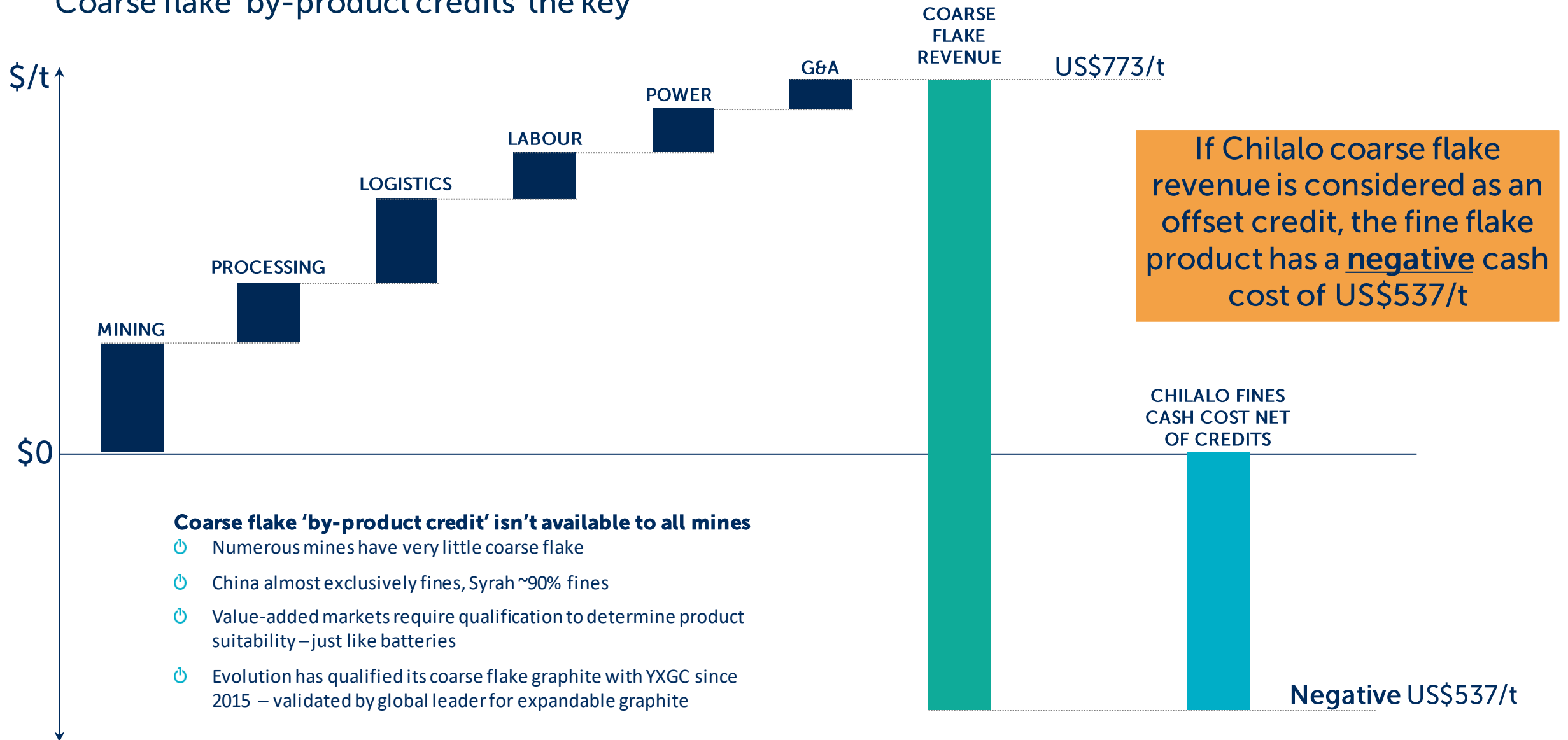
Product performance – results in offtake with global industry leaders

3

World-class battery anode company (BTR) validates Chilalo graphite battery performance

Battery graphite at negative cash cost?

Coarse flake 'by-product credits' the key

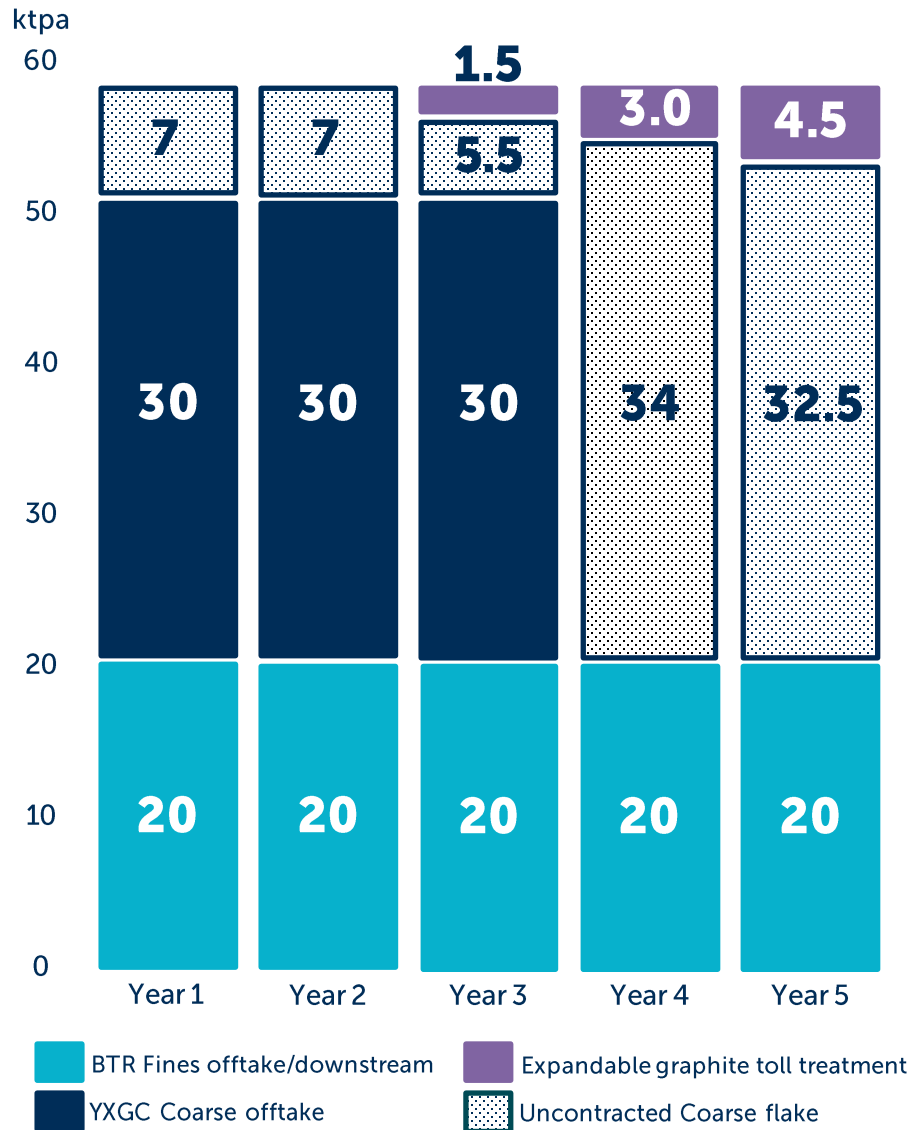


Coarse flake 'by-product credit' isn't available to all mines

- Numerous mines have very little coarse flake
- China almost exclusively fines, Syrah ~90% fines
- Value-added markets require qualification to determine product suitability – just like batteries
- Evolution has qualified its coarse flake graphite with YXGC since 2015 – validated by global leader for expandable graphite

EV1 Offtake Strategy

Binding offtake for ~90% of production with global leaders



Yichang Xincheng Graphite Co.,Ltd

Coarse Flake Offtake

- ⏻ 30,000tpa for 3 years
- ⏻ 70% of concentrate revenue
- ⏻ YXGC are the global leader for expandable graphite (EG) and foil
- ⏻ Electronics, fuel cells, seals, gaskets, flame retardants
- ⏻ Conditional on YXGC toll treating some graphite into EG



Fines Flake Offtake

- ⏻ 100% of fines for 3 years (+3 yr option), subject to assignment to joint downstream entity
- ⏻ Market prices agreed bi-laterally
- ⏻ Conditional on:
 - ⏻ Downstream agreement and FID by 31 March 2024
 - ⏻ BTR investment

Financeability of Chilalo

Low Capex
Important to commercial
banks in the process

High Margin
Coarse flake provides buffer
to weaker fines prices

Product Quality
Validation by offtakes with global
leaders for batteries and expandables

Quality Partners
Global #1 offtakers
for coarse + fines

Experienced to Execute
Experienced team
de-risks execution/delivery

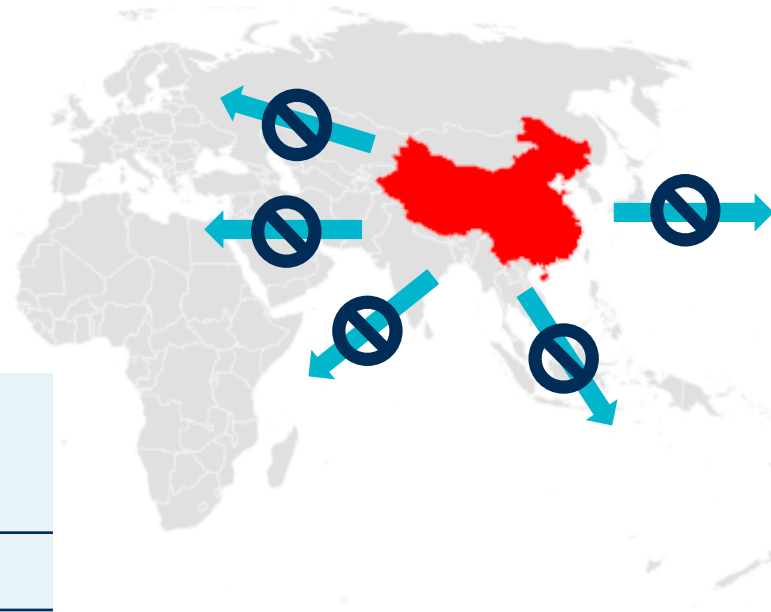
Building momentum to
become the next
graphite producer

VERTICALLY INTEGRATED STRATEGY

China's export controls positive for ex-China graphite

Highlights graphite's reliance on China more than all other battery minerals

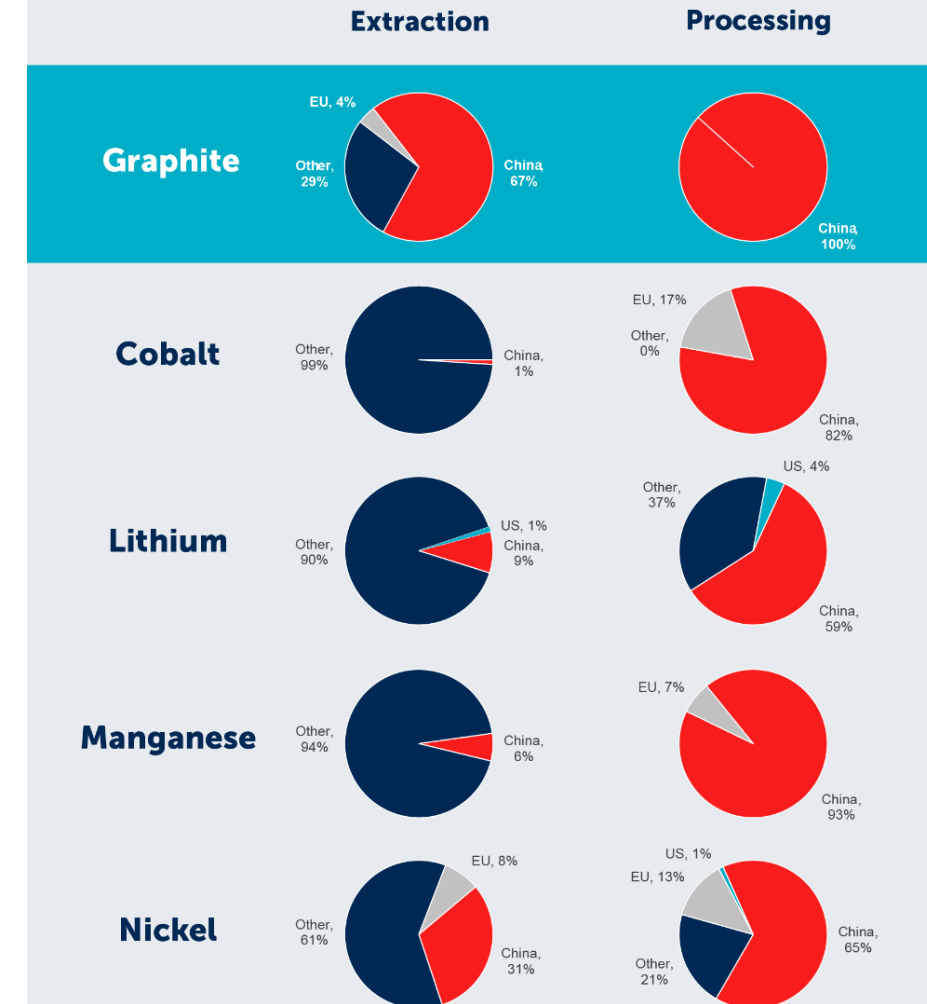
- China announced export controls for flake graphite and synthetic graphite from 1 December 2023
- Follows move from net exporter to net importer in recent times
- Heightens the urgency to develop ex-China sources of flake graphite mining and anode processing capacity



	Flake Graphite Exports (tons)	Spherical Graphite Exports (tons)
November 2023	23,343	12,187
December 2023	1,428	949
Variance	-94%	-92%

Source: 1. Customs General Administration, P. R. China, 2. Wisdom Intelligence Technology

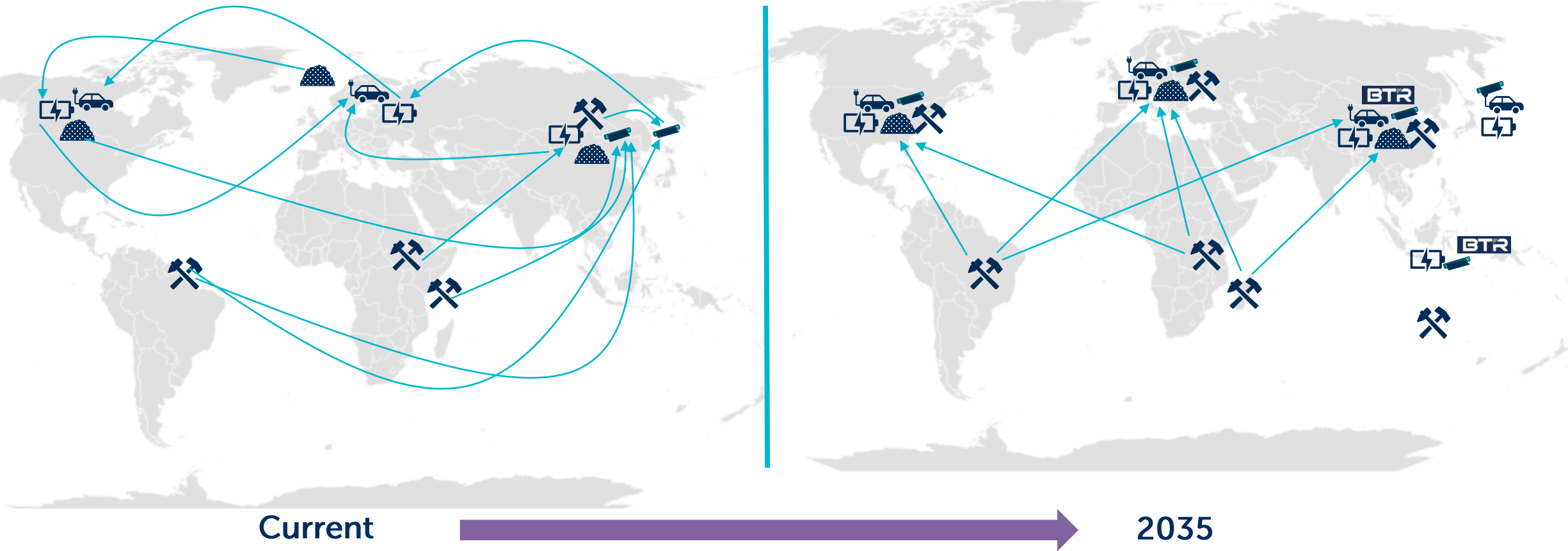
Li-ion battery raw materials supply chain by country



Localisation of Anode Supply Chain

Anode production will need to occur closer to end-markets following the Inflation Reduction Act and European Critical Minerals Act which are designed to reduce reliance on China

-  Graphite Mine
-  Coke
-  Anode
-  Battery Cell
-  Electric Car



Source: Benchmark Mineral Intelligence

IRA-compliant anodes into the US

US battery plants require significant increase in domestic anode capacity

	2025	2030
US battery demand (GWh) ¹	504	1,180
Anode materials (ktpa) ¹	554	1,298
IRA requirement ²	50%	80%
IRA-compliant anode materials (ktpa)	277	1,038

1. Benchmark Mineral Intelligence

2. Percentage of battery raw materials that are extracted, processed or recycled in the US or FTA countries

Favourable policy initiatives



~US\$47B Inflation Reduction Act (IRA) Production and EV tax credits



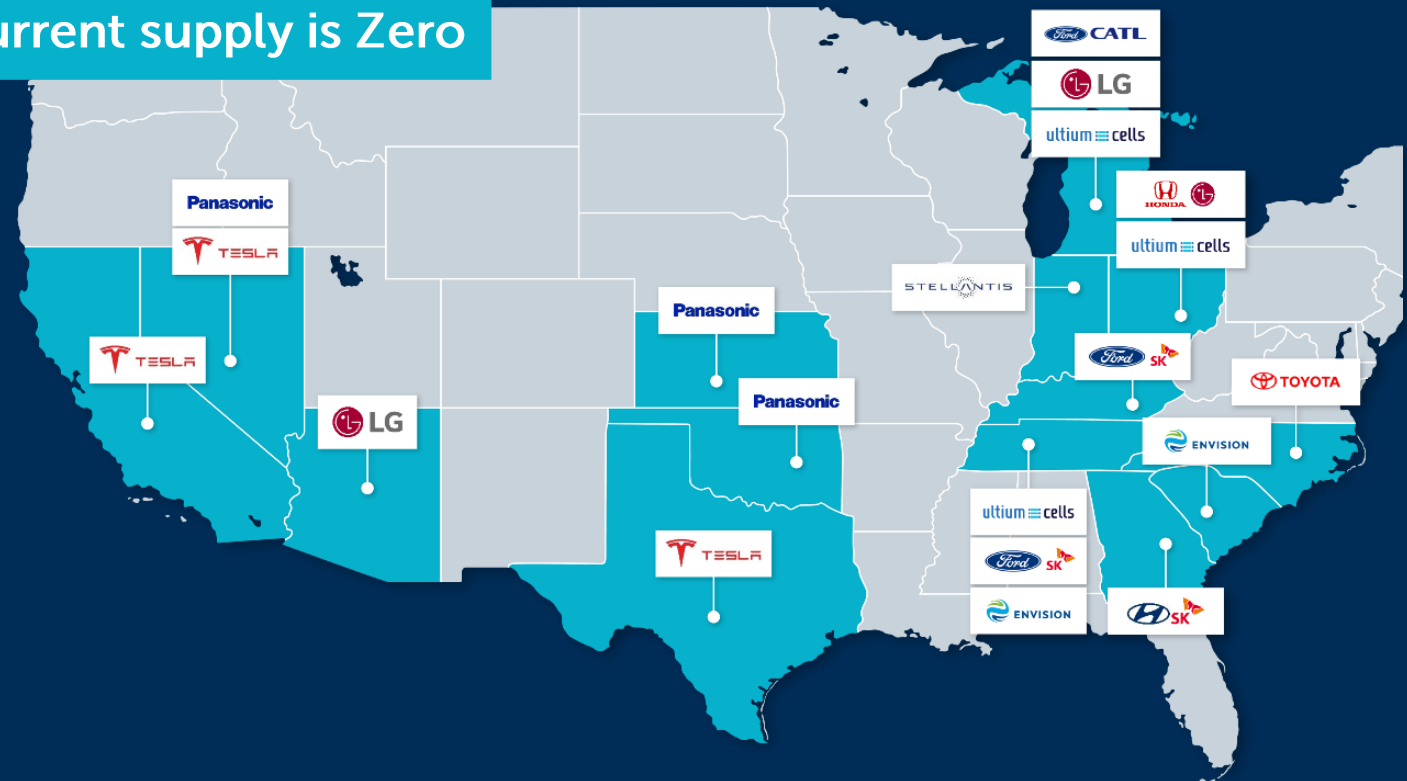
US\$40B via DoE Advanced Technology Vehicles Manufacturing Loan Program EV loan program



US\$7B via DoE Battery Materials Processing grants

Select US Gigafactories

Current supply is Zero



UPSTREAM

DOWNSTREAM



Key Catalysts

1

**Chilalo project
financing**

2

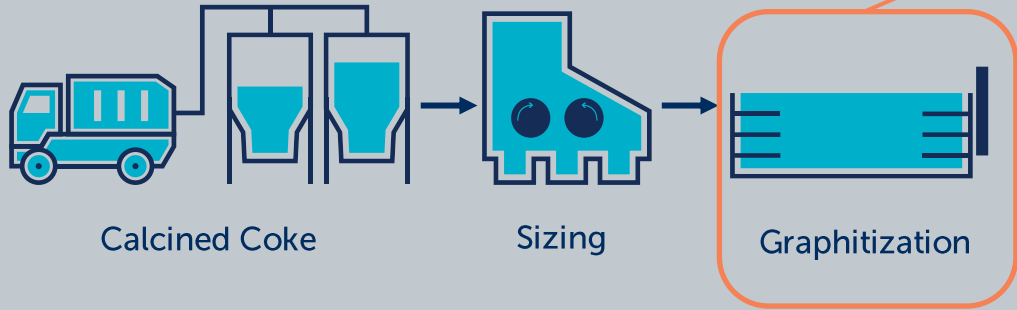
**Downstream scoping
study, site selection
and partnerships**



APPENDICES

The Making of an Anode

Synthetic Graphite



Heating to 2,500-3,000°C consumes significant energy – results in high carbon footprint of synthetic graphite

Natural Graphite



Micronization & Spheronization

Carbon coating

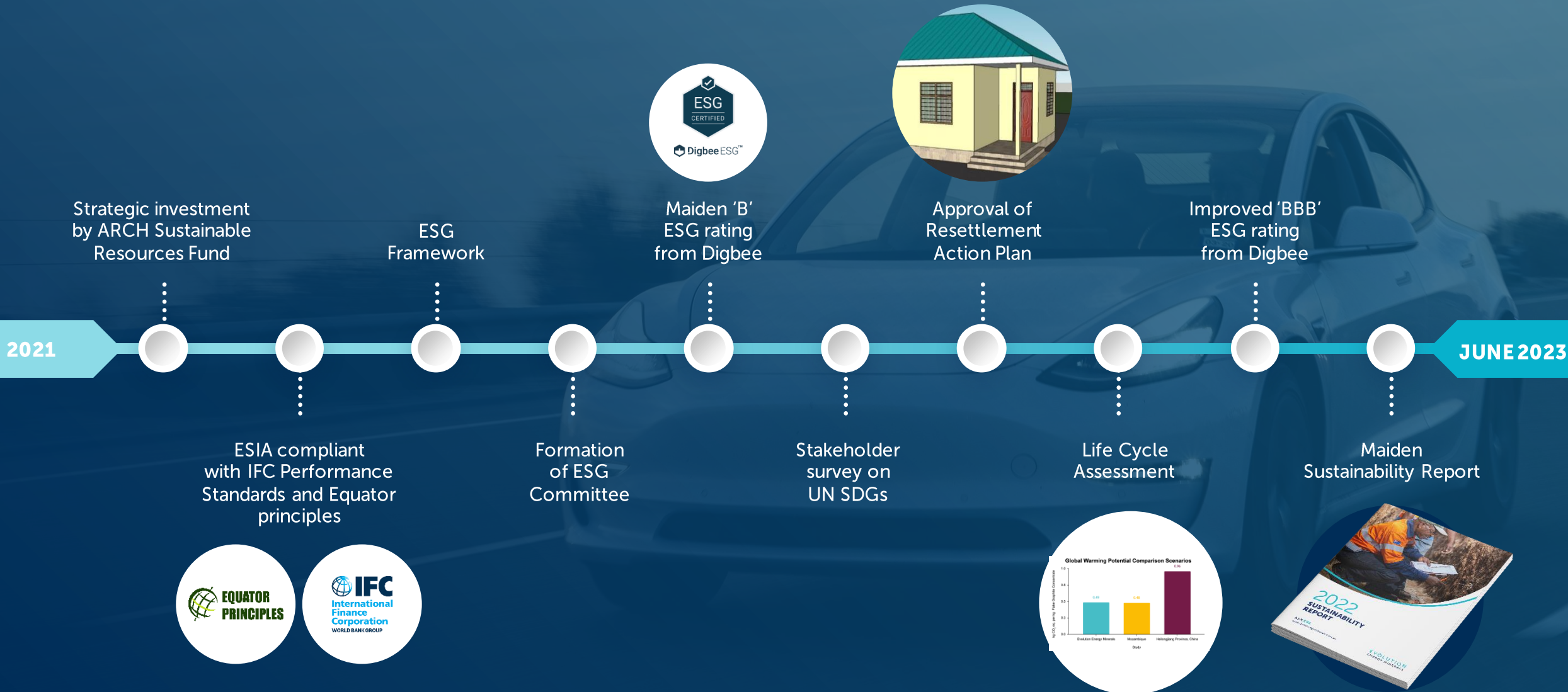
Blending

Slurry Preparation

Final Anode

Source: Benchmark Mineral Intelligence

Evolution's ESG Commitment



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