

3 July 2024

BAYNAZAR COPPER PROJECT

Sarytogan Graphite Limited (ASX: SGA, "the Company" or "Sarytogan") is pleased to announce the pegging of a new Exploration Licence Application (ELA) to explore for copper porphyry mineralisation, called "Baynazar".

Highlights

- 282km² Baynazar ELA is located 20km west of the Sarytogan Graphite Deposit in Central Kazakhstan.
- The Central Asian Orogenic Belt (CAOB) hosts many large copper-gold porphyry deposits including in Kazakhstan: Bozshakol, Aktogai, Kounrad, Nurkazgan and Koksai (each 3-6Mt Cu) and Oyu Tolgai (30 Mt Cu, 44 MOz Au) in Mongolia.
- The Baynazar ELA follows the margins of the Baynazar Caldera and where Soviet work identified copper, gold, silver, molybdenum and tungsten anomalism.
- Sarytogan's established exploration team is now in the field soil sampling and a high-resolution aeromagnetic survey is set to commence.



Figure 1 - Sarytogan Geologist soil sampling at Baynazar

Sarytogan Managing Director, Sean Gregory commented:

"Sarytogan has deployed its established exploration team in Kazakhstan to copper exploration. The Central Asian Orogenic Belt is known to host many world-class copper-gold porphyry deposits. Baynazar is the first of a portfolio of copper exploration projects that the Company plans to assemble to complement the battery metals thematic at Sarytogan."

Copper in Kazakhstan

Kazakhstan is the 11th largest copper producer globally, producing 600,000 tonnes in 2023 (Statistica.com 2024).

The Palaeozoic Central Asian Orogenic Belt (CAOB) runs through Kazakhstan, Northern China and Mongolia (Figure 3). It hosts many large copper-gold porphyry deposits including in Kazakhstan:

- Bozshakol - 1,402 Mt @ 0.34% Cu 0.13% Au, in production (Kaz Minerals 2023 Annual Report)
- Aktogay - 1,944 Mt @ 0.32% Cu, in production (Kaz Minerals 2023 Annual Report)
- Kounrad - 637 Mt @ 0.59% Cu 0.19% Au, mined in the 20th century (US Geological Survey 2008)
- Koksai - 736 Mt @ 0.42% Cu (Kaz Minerals 2017 Annual Report)
- Nurkazgan - 213 Mt @ 0.81% Cu 0.26 g/t Au, in production (US Geological Survey 2008)

The CAOB also hosts one of the largest copper and gold (combined) deposits in the world, Oyu Tolgoi in Mongolia at 4,380 Mt @ 0.69% Cu, 0.31% Au, 1.93% Ag (Rio Tinto Annual Report 2023).

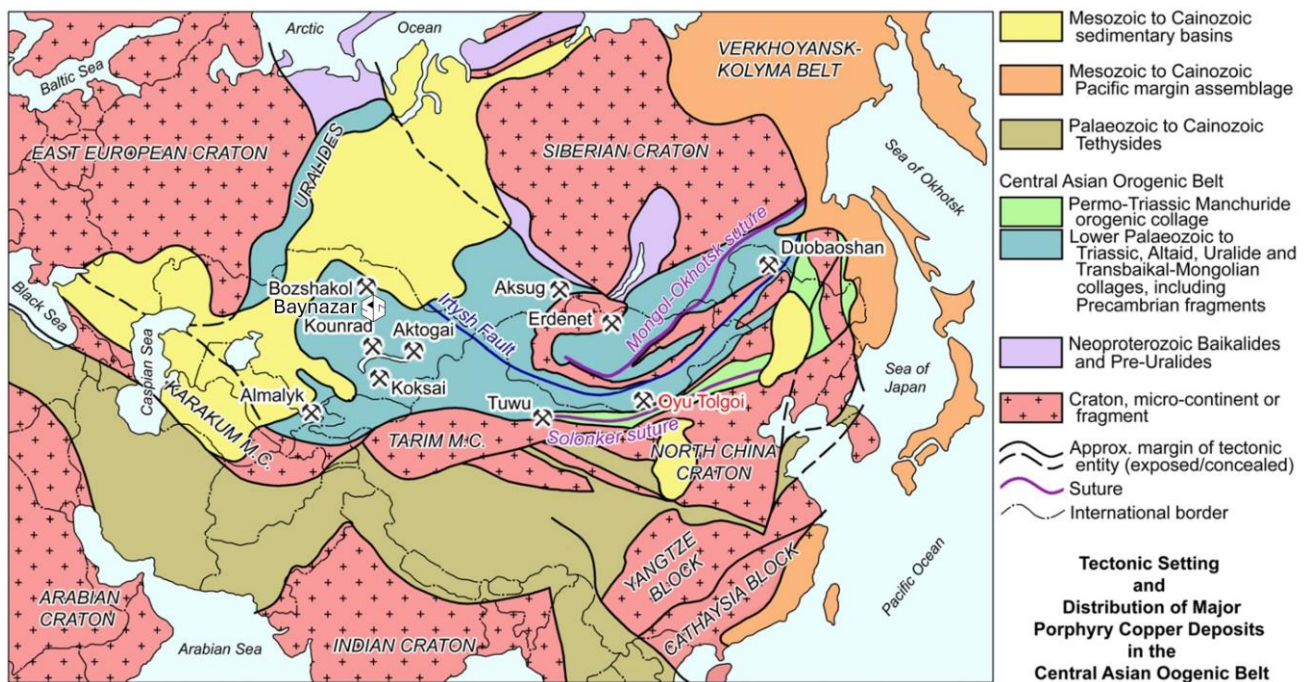


Figure 2 - Baynazar Copper Project Location and Tectonic Setting and Distribution of Major Porphyry Copper Deposits in the CAOB.

Source: Porter M., 2015, Geoscience Frontiers 7(3), The geology, structure and mineralisation of the Oyu Tolgoi porphyry copper-gold-molybdenum deposits, Mongolia: A review.

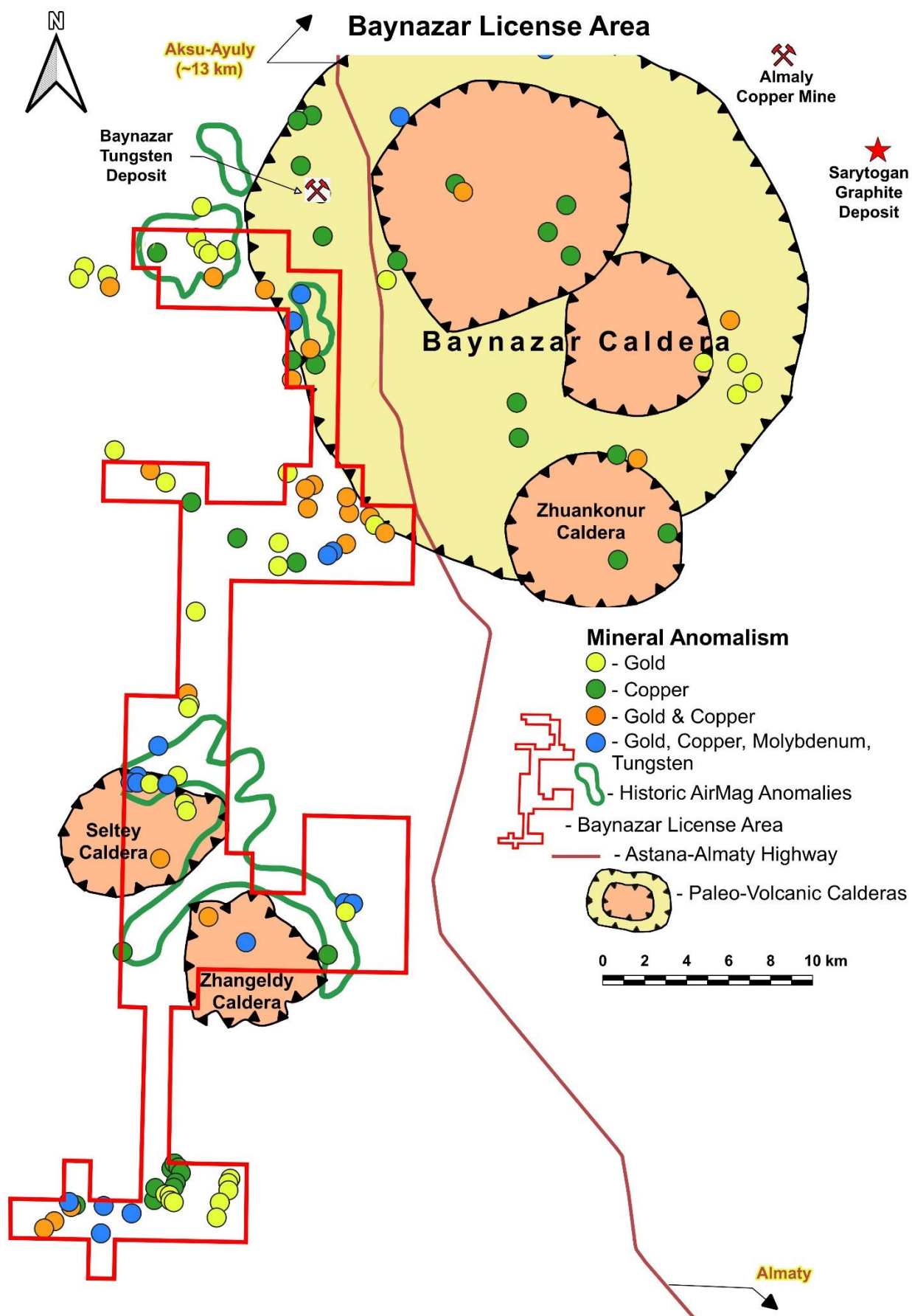


Figure 3 - Baynazar ELA, geology, and mineral anomalism after Karandyshev et al (1974).

The Baynazar Copper Project

The Baynazar ELA is situated within a Devonian volcanic belt that spans from central to south Kazakhstan as part of the broader CAOB.

The Baynazar area is characterised by cluster of volcanic calderas, with the largest spanning 30 by 40 kilometres. This area is renowned for its diverse mineralization types. During the Soviet era, over 300 mineral occurrences were observed and partially explored, including gold, copper, molybdenum, tungsten and rare metals (e.g. Karandyshev W. et al, 1974, Geological Mapping and Minerals Prospecting of the Baynazar Caldera and Surroundings). Locations of elevated metals observed from grab- and trench-samples and aero-magnetic anomalies identified in historical reports are illustrated on Figure 3.

The Baynazar ELA encompasses the Baynazar Caldera's western contact zone and two southern satellite calderas, all exhibiting a favourable zonality for copper-porphyry mineralization. On the opposite margin of the Baynazar Caldera, lies the recently developed Almaly copper-porphyry mine.

Malachite is observed in outcrop at many locations across the ELA. For example, the specimen shown in Figure 4 is from the north-western margin of the Zhangeldy Caldera shown on Figure 3. The specimen is estimated to contain 5-15% of the copper bearing mineral malachite as veins in quartz. Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.



Figure 4 – Typical Malachite and Quartz specimen from Baynazar.

Copper Market

Copper is in high demand for the green energy transition underway. Offshore wind uses 3 times as much copper as coal fired energy generation and an electric vehicle uses more than triple the copper of an internal combustion engine car. Wood Mackenzie forecast that global copper consumption is going to increase 24% from 2023 to 2033 to reach about 32Mt per annum. Copper prices have already risen from US\$2/lb in 2016 to a high of US\$5/lb in early 2024, attracting investor interest.

Exploration Licence Application

Sarytogan has incorporated a new 100% owned Limited Liability Partnership in Kazakhstan "Baynamys LLP" to house copper exploration assets. The Bainazar ELA has been pegged in the name of Baynamys LLP.

Baynamys has received notification from the Ministry of Industry and Construction of the Republic of Kazakhstan that the ELA will be granted subject to the payment of environmental insurance, which has now been paid.

Next Steps

Sarytogan's geologists have mobilised to the field and commenced a broad spaced soil sampling program over the most prospective areas and a high resolution aero-magnetic survey will be conducted over the entire ELA area over the next few months.

Sarytogan is continuing to explore other regional opportunities with the intent to assemble a portfolio of copper exploration properties, leveraging its in-country presence, the expertise of its established geological team, and consistent with its battery metals strategy in Kazakhstan.

This announcement is authorised by:

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About Sarytogan

The Sarytogan Graphite Deposit is 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, refer ASX Announcement 27 March 2023). Sarytogan has upgraded the mineralisation up to **99.9992% C** "five nines purity" by thermal purification, without any chemical pre-treatment (refer ASX Announcement 5 March 2024). Furthermore, spheres of graphite have been made at a high yield (refer ASX Announcement 19 December 2023) and performance lithium-ion batteries has been demonstrated (refer ASX Announcement 8 February 2024). A Pre-Feasibility Study as part of its strategy to supply high-quality anode pre-cursor material for the rapidly growing electric vehicle battery market is well advanced and scheduled for completion no later than September 2024.

Table 1 - Sarytogan Graphite Deposit Mineral Resource (> 15% TGC).

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 Exploration Results is based on information compiled by Dr Waldemar Mueller, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Mueller is a full-time employee of the Company and 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 Person 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 his information in the form and context in which it appears.

The information in this report that relates to other Exploration Results is cross referenced to the relevant announcements in the text. 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.