

14 August 2024

**ASX ANNOUNCEMENT**

## **Madagascan Government confirm new Mining Code and sets programme for the issue of Mining Permits**

### **Highlights**

- In late 2023, the Madagascan Government passed legislation to adopt a new Mining Code which includes granting of development and production licenses for compliant graphite projects.
- Recently, the Mines Ministry of Madagascar issued an order to Bureau du Cadastre Minier (“BCMM”) – the department responsible for the administration of licenses<sup>1</sup>) in Madagascar authorising BCMM to commence, amongst other things, the transfer (upgrade) of permits to allow for construction and development of mine operations.
- The Government has now adopted an Indicative Programme for action on the issue, transfer and validation of mining permits with the programme formally commencing on 1 August 2024
- The World Bank has provided significant incentives to the Madagascan Government in support of these major development initiatives with funding available to the Government from the World Bank.
- Evion’s new and experienced in-country development team are now working to finalise all necessary permits and applications in preparation for the granting of development licenses.
- Evion has been invited to apply to the European Union for funding and other support as part of the EU’s Critical Raw Materials Act<sup>2</sup> to guarantee supply of graphite to the EU in the short and long term.
- Senior members of the Madagascan Government, along with Evion’s Management team from Madagascar, to visit Perth in early September 2024

**Mr David Round, Company Managing Director commented** – “The Madagascan Government’s new Mining Code (2023) has seen a positive step to unlocking the country’s vast critical mineral resources, including large graphite projects.

The Government’s recent initiatives and announcements, combined with significant World Bank support and funding, is an enormous positive step for mining in Madagascar and our plans to be a material supplier of graphite concentrate and downstream material to the world over decades to come.

We are delighted with these developments and our team is actively working in country to conclude all tasks necessary for Evion to be issued with development and mining permits as soon as possible”.

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<sup>1</sup> <https://bcmm.mg/en/>

<sup>2</sup> [https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/critical-raw-materials/critical-raw-materials-act\\_en#actions-under-the-critical-raw-materials-act](https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/critical-raw-materials/critical-raw-materials-act_en#actions-under-the-critical-raw-materials-act)

## New Mining Code and Indicative Programme

Following a range of recent developments and adoption of the new Mining Code<sup>3</sup>, the Madagascar Government has now completed a Remediation Plan for the Mines Registry which includes a detailed programme of activity over the next 6 months.

The Programme provides for a very significant range of activities and includes a commitment to process pending Mining Permit Applications including the renewal, transfer and transformation of all categories of Permits. At present, Evion holds a number of Mining (Exploitation) Permits (“PE’s”) over its range of tenements in Maniry and is seeking to transfer its existing Exploration Permits (“PR’s”) to cover the remaining areas within the proposed Maniry mining region.

During 2023, Evion completed and lodged its Environment and Social Impact Assessment (“ESIA”) and this was accepted and approved by the Office of Nationale Environment (“ONE”)<sup>4</sup>.

Our in-country development team, led by Lydia Boarlaza, is currently in the process of concluding our Environmental and Social Impact plan, which shall include our Relocation Action Plan (“RAP”), and we are confident of having these concluded in the short term. As part of the conclusion of these plans is a very significant period of consultation with the local community to ensure they are fully engaged with our project’s development.

The local community has been highly supportive of our development, and we are committed to providing the Maniry region with employment, education, health and medical support and a range of other social and economic initiatives.

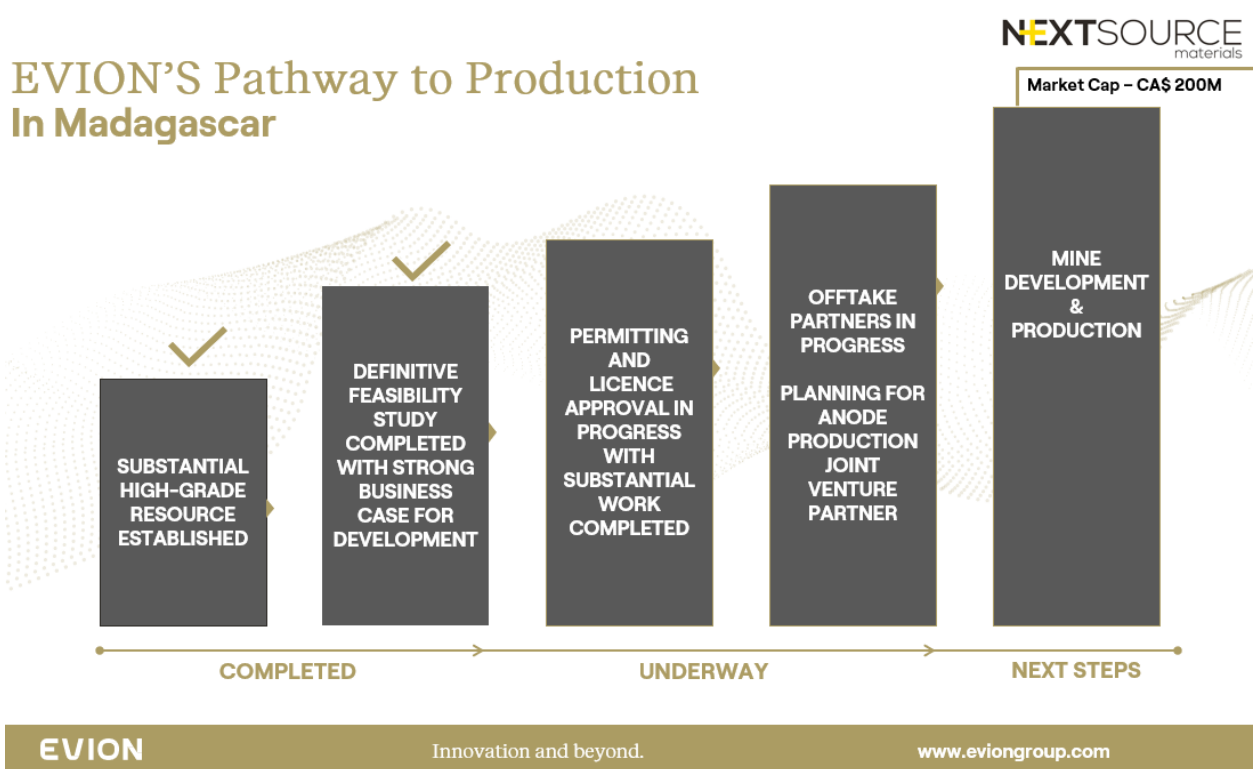


Figure 1 – Evion’s pathway to production

<sup>3</sup> <https://bcm.mg/en/code-minier-2023/>

<sup>4</sup> Refer ASX announcement 13 July 2023

## **World Bank support for Madagascar’s mining industry**

The World Bank has been actively working with the Madagascan Government on a range of funding and administrative matters designed to fast-track development of the country’s highly prospective mining industry.

Much of the immediate budget assistance to be provided by the World Bank to Madagascar has been conditional on the conclusion of a plan to promote and develop the mining industry and we are pleased to note that progress and commitments have now been made by all parties that can now see Madagascar develop its critical minerals and graphite mining sectors.

## **European Union Grant Applications invited**

The Evion executive team were recently invited to apply to the European Union (“EU”) for funding and infrastructure support as part of the EU’s Strategic Raw Materials Act.

The funding and infrastructure support programme offered by the EU is designed to ensure a secure and sustainable supply of critical raw material for the EU with the focus on critical minerals required for strategic technologies including EV’s, digital, defence and space applications.

The EU recognises 34 raw materials of critical economic importance and 17 of these are defined as ‘strategic’ with graphite identified as strategically important.

Madagascar has a history, over many decades, of successfully exporting graphite concentrate to the EU and apart from China, it is estimated that 25% of Europe’s graphite supplies and down stream products are from Madagascar.

The EU has identified graphite from Madagascar of critical importance to their development and has invited Evion to submit an application so that the European Commission (“EC”) may assist Evion with financing and offtake agreements. The Evion team is in the process of concluding our application for first round assessment and we believe we meet all the conditions requested to receive EC support.

## **Evion experienced development team**

Evion recently announced the appointment of leading mine development advisor, Ms Lydia Boarlaza, to the Evion executive team in Madagascar<sup>5</sup>.

Ms Boarlaza will oversee the completion of our relocation action plan (RAP) and the final implementation of Evion’s Environmental and Social Impact Plan (“ESIP”) as part of the process to be granted a mine development permit.

Lydia is an experienced General Manager and until recently was engaged by Next Source Materials Inc (“Next Source”) and managed, over several years, to complete all necessary permits and licenses to allow Next Source to develop their Molo operation and commence production in late 2023.

Since her appointment, Ms Boarlaza has held a number of meetings with representatives of ONE in Madagascar and other relevant stakeholders.

A range of community consultation meetings are planned for the next few weeks as we work toward concluding a plan to provide for Maniry’s development. This includes a relocation action plan and other initiatives designed to provide material benefits to the community with improvements to health care, education and employment in the immediate region.

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<sup>5</sup> Refer ASX announcement 16 July 2024



Figure 2 – Evion’s proposed Maniry Graphite Mine adjacent to Next Sources’ Molo operation – Southern Madagascar

## Madagascar Government team to visit Perth in September 2024

The Madagascan Government has recently confirmed that the Mines Minister and a number of support staff will visit Perth in September 2024 to attend the Africa Down Under Conference and conduct a range of meetings.

The Evion Development team from Madagascar, including Ms Boarlaza, will also visit Perth at this time and we have scheduled a range of meetings to discuss our plans for development in Madagascar.

Given Madagascar’s growing importance to the worlds future supply of graphite, we anticipate the visiting Government officials will meet with Australian Government representatives and conduct a number of media events.

This announcement has been authorised by the Board of Evion Group NL.

### Contacts

**David Round**

*Managing Director*

Evion Group NL

0411 160 445

For more information – <https://eviongroup.com>

## **Forward Looking Statements**

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