

30 December 2024

MINING LICENCE GRANTED

Sarytogan Graphite Limited (ASX: SGA, "the Company" or "Sarytogan") is pleased to announce that the mining licence for its graphite mine development has now been granted by the Ministry of Industry and Construction of the Republic of Kazakhstan.

Engage with this announcement at our Investor Hub:

<https://sarytogangraphite.com.au/announcements>

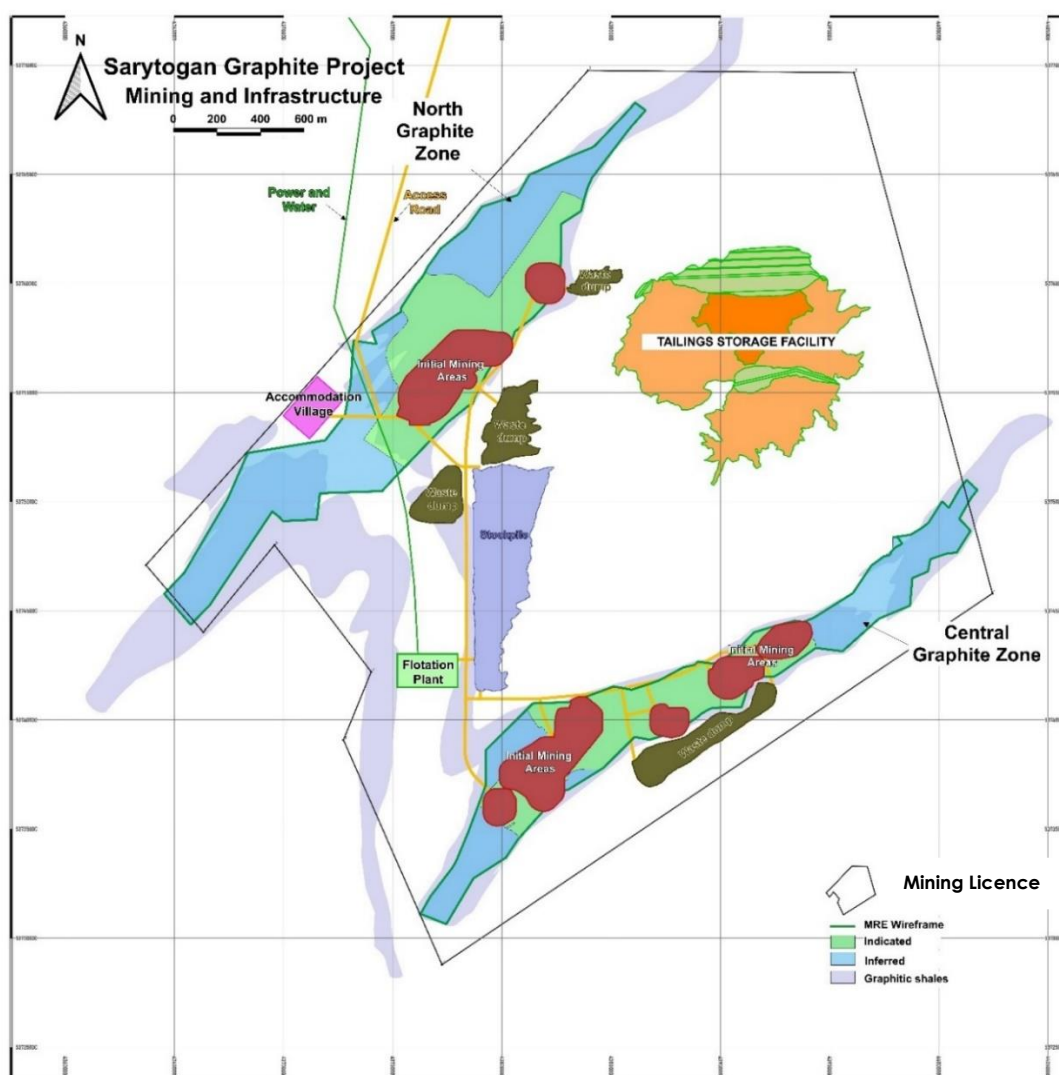


Figure 1 – Granted Mining Licence for the Sarytogan Graphite Project

Sarytogan Managing Director, Sean Gregory commented:

"The grant of the mining licence is a significant milestone for the Sarytogan Graphite Project that secures the tenure and takes this activity off the critical path for the future mine development. The process followed by Sarytogan's local team under the Kazakh legislation has been diligent and thorough. It highlights the wherewithal of Kazakhstan to develop this strategic industry ahead of other more cumbersome jurisdictions without compromising proper process."

Mining Licence Application

The grant of the Mining Licence follows an extensive process by the team at Sarytogan's 100% owned Kazakh subsidiary Ushtogan LLP including:

- Negotiating a Land Access Agreement with the local Farm and Land User (refer ASX Announcement 17 April 2023)
- Preparing a closure plan in 2023 which was approved by the Department of the Industrial Safety Committee of the Ministry of Emergency Situations on 9 August 2023.
- Converting the giant and exceptionally high-grade **229Mt @ 28.9% TGC** Indicated and Inferred Mineral Resource (Table 1) from the Australian JORC Code to the Kazakh KAZRC code.
- Submission of the Mining Licence application on 23 April 2024.
- Approval of the Mining licence application boundaries by the Geological Committee on 3 June 2024 (Figure 1).
- Notification from the Competent Authority on 27 June 2024 that the Mining Licence will be granted, subject to the receipt of the Environmental Permit within one year.
- Engagement with the local communities including three public environmental hearings in local villages.
- The receipt of the Environmental Permit (refer ASX Announcement 23 December 2024).

Licence Conditions

The mining licence is over an area of 8.88 km² (Figure 1) and is valid for a term of 25 years, with right to extend for a further 20 years and then until the Mineral Resource is fully depleted.

The minimum expenditure is 8,938 Monthly Calculated Indicators (MCI) per year. The MCI is indexed each year. The MCI for the 2025 year is 3,932, meaning that the minimum expenditure will be 35,144,216 Kazakh tenge, or approximately US\$67,000 at the current exchange rate. This is significantly lower than the minimum expenditure that applied to the previous exploration licence.

Sarytogan has certain obligations to support Kazakh industry under the mining licence conditions. The use of domestic works and services in production operations must not be less than 50%. 1% of production costs must be used to train Kazakh personnel and 1% must be invested in research and development. A contribution of 1,000 MCI (approximately US\$7,500 in 2025) must be made each year to the local executive body for the socio-economic development of the region.

Next Steps

Customer focussed early works for the Feasibility Study are progressing. The 20 tonne sample from the trial mine is being milled at a Kazakh laboratory ahead of airfreighting 1 tonne to Australia for flotation in Quarter 1 and purification in USA in Quarter 2 2025. Engagement with potential customers to receive trial samples has commenced and further updates in this area will be made when possible.

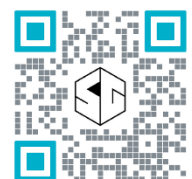
This announcement is authorised by:

Sean Gregory

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**Engage directly
with management
at our Investor Hub:**



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 2).



Figure 2 - Sarytogan Graphite Deposit location.

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

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 been estimated for the project by AMC Consultants totalling **229Mt @ 28.9% TGC** (Table 1), refer ASX Announcement 27 March 2023.

Sarytogan has produced bulk flotation concentrates at higher than **80% C** and further upgraded the concentrate up to **99.9992% C** "five nines purity" by thermal purification, without any chemical pre-treatment (refer ASX Announcement 5 March 2024). Sarytogan envisages three product types:

- Microcrystalline graphite at 80-85% C ("Micro80C") for traditional uses,
- Ultra-High Purity Fines (UHPF) for advanced industrial use including batteries, and
- Spherical Purified Graphite (USPG and CSPG) for use in lithium-ion batteries.

A Pre-Feasibility Study (PFS) was completed in August 2024 that outlined a staged development plan to match market penetration, minimise initial capital expenditure and deliver attractive financial returns.

An Ore Reserve of **8.6 Mt @ 30.0% TGC** (Table 2) was estimated using the Guidelines of the 2012 Edition JORC Code (refer ASX announcement 12 August 2024).

Table 2 - August 2024 Sarytogan Probable Ore Reserve estimate

Ore mass	TGC	Concentrate mass	Concentrate grade	TGC in conc. Mass
kt	%	kt	%	kt
8,587	30.0	2,654	81.4	2,160

Notes:

- Tonnes and grades are as processed and are dry.
- The block mass pull varies as it is dependent on the TGC grade, concentrate grade (fixed) and process recovery (fixed) resulting in a variable cut-off grade, block by block. The cut-off is approximately 20% TGC with minimal mass below 20% TGC contributing.

Sarytogan is also progressing copper porphyry exploration, initially at its Bainazar project and subsequently across a planned portfolio of copper exploration projects to be assembled across the highly prospective Central Asian Orogenic Belt.

Compliance Statements

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 information in this report that relates to Sarytogan Ore Reserves was first reported in ASX announcement dated 12 August 2024.

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 and Ore Reserves, 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.

The Company confirms that all the material assumptions underpinning the production target, or the forecast financial information derived from the production target, in the initial public report (12 August 2024) continue to apply and have not materially changed.