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Battery Minerals secures port allocation for its Montepuez Graphite Project

Binding contract is another key step toward supplying the lithium-ion battery industry

Highlights

- National Rail and Port Authority of Mozambique provides firm and binding Port Allocation to Battery Minerals
- Includes capacity of up to 100ktpa, with access to stockpile and warehouse facilities
- Indicative of support from Mozambique Government for development of the Montepuez Graphite Project
- Rapid achievement of another important development milestone for Battery Minerals
- Another key step towards supplying the lithium-ion battery industry

Battery Minerals Limited (ASX:BAT) (“Battery Minerals” or “the Company”) is pleased to advise that it has secured an allocation of port capacity with the National Rail and Port authority of Mozambique – Portos e Caminhos de Ferro de Moçambique (CFM).

The firm and binding allocation, which is at the Port of Pemba, is sufficient to underpin the Company’s proposed graphite production and export of up to 100,000 tonnes per annum¹ from its Montepuez Graphite Project in the Cabo Delgado province of Mozambique.

As part of this written commitment to Battery Minerals, CFM has also undertaken to work with the Company to ensure access to stockpile and warehouse facilities in order to facilitate the proposed exports.

Battery Minerals Executive Chairman David Flanagan said the port allocation was another important milestone along the path to becoming a graphite supplier to the lithium battery industry.

“We are rapidly ticking the boxes in our development strategy, which is based on building a project that delivers a premium product, with an initial low capital cost and scope for growth once we are in production,” Mr Flanagan said.

“The port agreement provides further evidence that this plan is coming together quickly, ensuring we remain on a fast track to production and cashflow.

1. Based on Ore Reserves (see ASX releases dated 15 February 2017) prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code). All material assumptions underpinning the production target in that announcement continue to apply and have not materially changed.

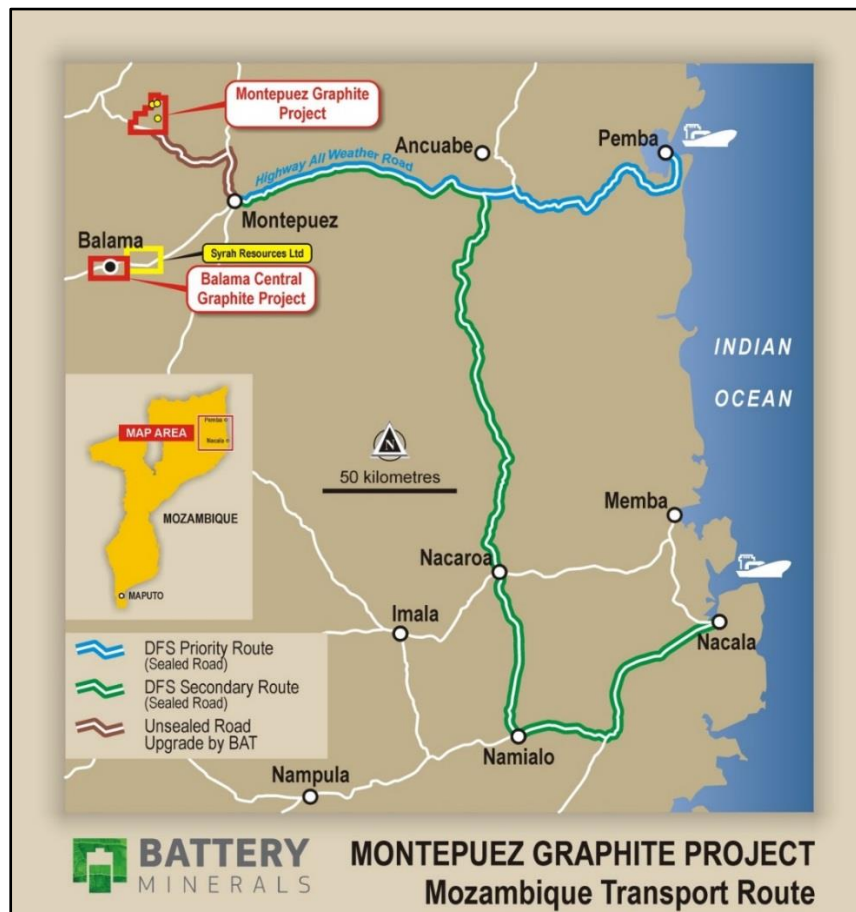
“We would like to thank CFM, the chief regulator of Mozambique’s port infrastructure, for its assistance with this important allocation, which allows us to connect the mine to the customer.

“We look forward to developing the Montepuez Graphite Project with the aim of contributing to the economic development of Mozambique and adding value for our shareholders.”

About Pemba Port

Pemba Port is situated on a peninsula in Pemba Bay, in the northern Mozambican province of Cabo Delgado. The port is situated 260 kilometres east of the Company’s Montepuez Graphite Project, along a principal road. Road access has been tested and verified by Battery Minerals during the transport of a 2,000 tonne bulk sample from the Montepuez Graphite Project to a warehouse near the Pemba Port. The Company is currently preparing to export this bulk sample through Pemba Port for toll treating and further test work in the coming weeks.

Pemba Port has a berth 135 metres in length, with a draft between 7 and 8 meters that is suitable for Handymax ships. Pemba Port has a storage area of 20,000 square meters, with a warehouse of 1,800 square meters. Pemba Port is situated on the busy East-African coast, with easy access to Indian and Asian shipping routes.



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Graphite is a key ingredient in lithium ion batteries. Independent forecasters are anticipating a 30-50% increase in rates of demand growth over the next 10 years as electric vehicles achieve a large share of the global vehicle market. Battery Minerals is currently advancing the Montepuez Graphite Project in Mozambique where it plans to grow production to 100ktpa while also developing a proposed 20ktpa spherical graphite plant in Nevada USA, (Announced 15th February 2017).

Mozambique has enjoyed a stable legislative environment for investment, particularly in mining, for more than 25 years. During that period the country has attracted significant investment from a range of resource companies including global diversified mining companies as well as the large oil and gas developers.

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