



MICRONS TO MARGINS FULLY FUNDED TO PRODUCTION

Investor Presentation October 2018

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Mineral Resources

The information in this Presentation that relates to in situ Mineral Resources for the Chilalo Project was announced on 20 September 2018. Graphex confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 20 September 2018 and that all material assumptions and technical parameters underpinning the estimates in the announcement of 20 September 2018 continue to apply and have not materially changed.

Ore Reserves

The information in this Presentation that relates to the Ore Reserve at the Chilalo Project was announced on 20 September 2018. Graphex confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 20 September 2018 and that all material assumptions and technical parameters underpinning the estimates in the announcement of 20 September 2018 continue to apply and have not materially changed.

Forecast financial information

The forecast financial information (and the production target on which such forecast financial information is based) in this Presentation was announced on 20 September 2018. All material assumptions underpinning the forecast financial information (and the production target on which such forecast financial information is based) in the announcement of 20 September 2018 continue to apply and have not materially changed.

Exploration Target

The information in this Presentation that relates to the Exploration Target was announced by IMX Resources Limited (now Indiana Resources Limited) on 2 September 2015). Graphex confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 2 September 2015. The potential quantity and grade of an exploration target is conceptual in nature, there has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources or that any associated production target will be realised.

UNLOCKING VALUE

Financed for graphite delivery



US\$80M FUNDING PACKAGE

expected to fully fund mine construction to production¹

UNRIVALLED GRAPHITE MARGIN

larger flake sizes attract premium prices

MARKET INSIGHT

price premium provides competitive cashflow advantage

EXPANDABLE GRAPHITE OPPORTUNITY

first mover in an emerging market

NPV US\$349M & 131% IRR

fully permitted Chilalo delivers exceptional economics

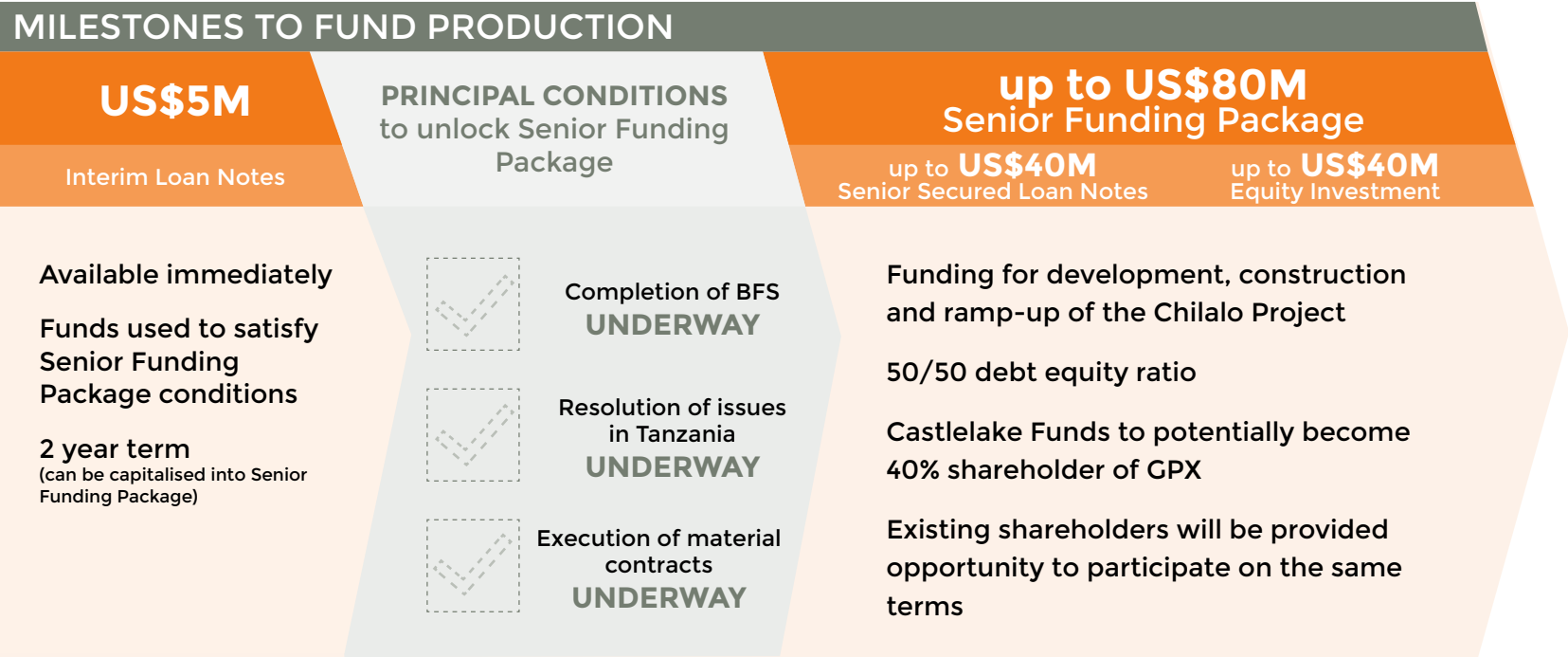


¹ Subject to agreed conditions per ASX announcement dated 29 October 18 and slides 4, 19, 20 in this presentation.

GLOBAL INVESTMENT FIRM STAKES GRAPHEX POSITION

US\$80M is an independent validation of

- Chilalo Project quality
- Market opportunity for large flake product
- Potential for resolution in Tanzania



Key terms outlined on slides 19-20



Global Investment Firm with US\$13.7B under management

Specialising in discovering and pursuing complex small and mid sized asset based opportunities.

GRAPHEX MINING / 4

HIGH-GRADE LARGE FLAKE RESOURCE

Chilalo Project

FULLY PERMITTED

with Mining Licence and Environmental Approvals

16.9Mt GRAPHITE @ 10.2% TGC

incl Ore Reserves 5.3Mt @ 10.9% TGC

100-350Mt @ 3-11% TGC²

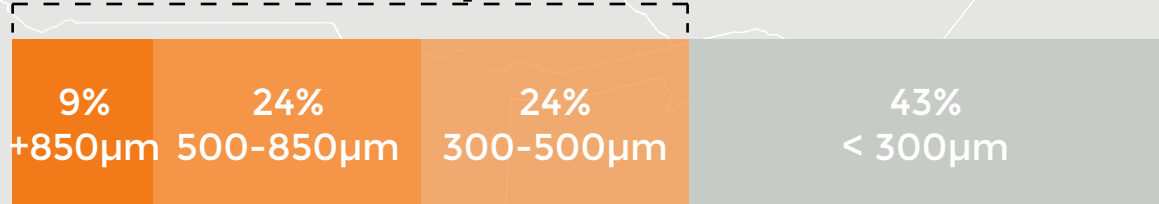
Exploration target tonnage - resource upside

DRILLING UNDERWAY

to upgrade resource classification

GPX PRODUCT FLAKE SIZE

57% >300 µm



FLAKE SIZE PRICE PREMIUM

¹ Subject to agreed conditions per ASX announcement dated 29 October 2018 and slides 4, 19, 20 in this presentation.

² IMX Resources ASX Announcement dated 2 September 2015.



MAP AREA



CHILALO DEVELOPMENT PLAN

PFS highlights compelling economics

STAGE 1 PRODUCTION

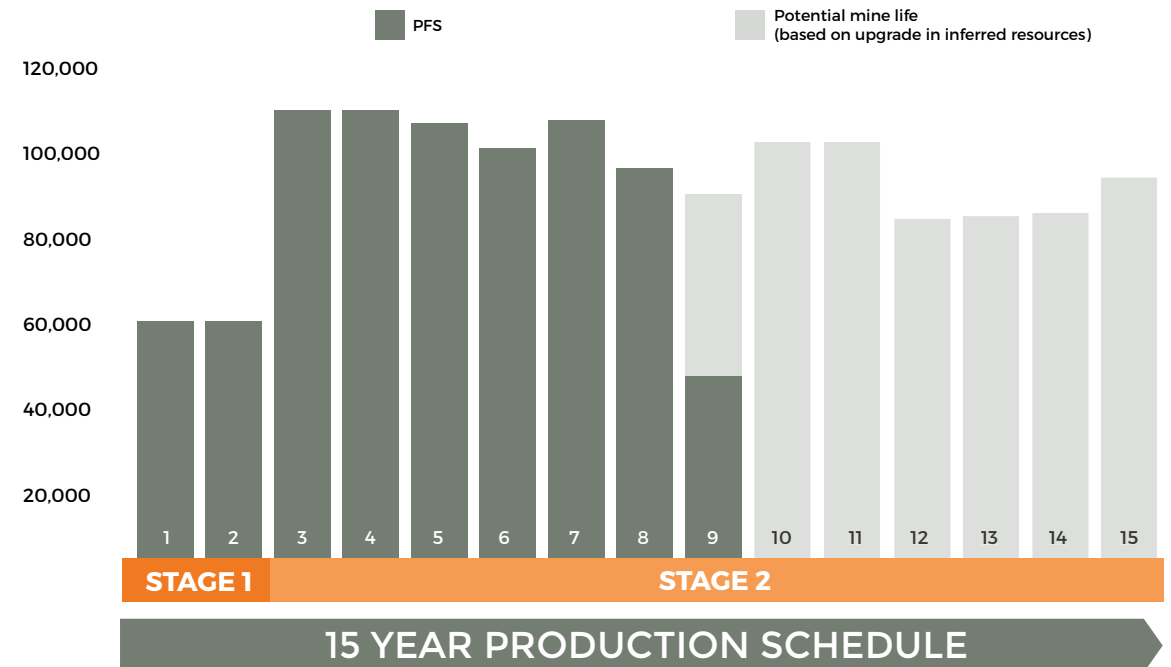
58,000 TONNES
(YRS 1-2)

STAGE 2 PRODUCTION

~100,000 TONNES
(YRS 3+)

Item	Measure	PFS
Life of mine	years	8.5
Average annual production	tpa	93,000
Plant feed rate	tpa	883,000
Average head grade	% TGC	10.6%
Average annual EBITDA	US\$m	112
Basket sales price FOB Mtwara	US\$/t	1,777
Operating cost per tonne of product	US\$/t	500
Operating margin	US\$/t	1,277
Stage 1 capital cost	US\$m	43.6
Stage 2 capital cost	US\$m	32.5
Post-tax NPV (10% discount rate)	US\$m	349
Post-tax internal rate of return (IRR)	%	131
Post-tax payback period	Yrs	0.84

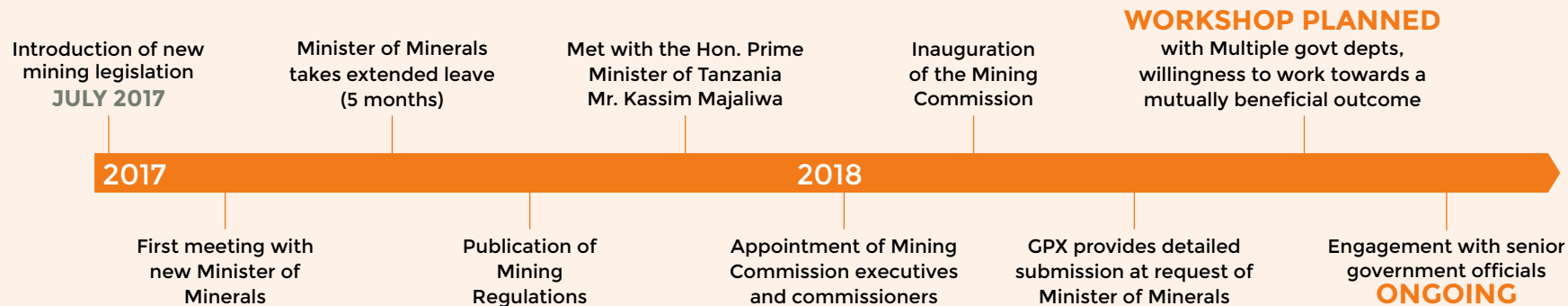
GRAPHEX PRODUCTION SCHEDULE GRAPHITE (TONNES)



TANZANIA

Focus on building a strong foundation

TIMELINE OF TANZANIAN GOVERNMENT ENGAGEMENT



Established Community Relationships

Graphex is proud of the impact its programs have made to the local community

- Nachingwea Secondary School
- Nditi Secondary School females' dormitory project
- Nditi Secondary School project
- Lionja admin office project
- Lionja wells pumping system and repair project

Recognised by President for multiple CSR awards

STRONG CAPABILITY TO DELIVER IN AFRICA

PHIL HOSKINS
7yrs GPX/IMX

STUART MCKENZIE
+12yrs GPX/IMX & Anvil Mining

GRANT DAVEY
+10yrs Anglo Gold Ashanti & Cradle Resources

HEAVENLIGHT KAVISHE
Country Manager
(Tanzanian Government liaison)

Mining contributes 4.8% to GDP with the government **AIMING TO GROW TO 10% BY 2025**



BANKING ON FLAKE SIZE

Graphex targets larger flakes in size vs purity trade-off

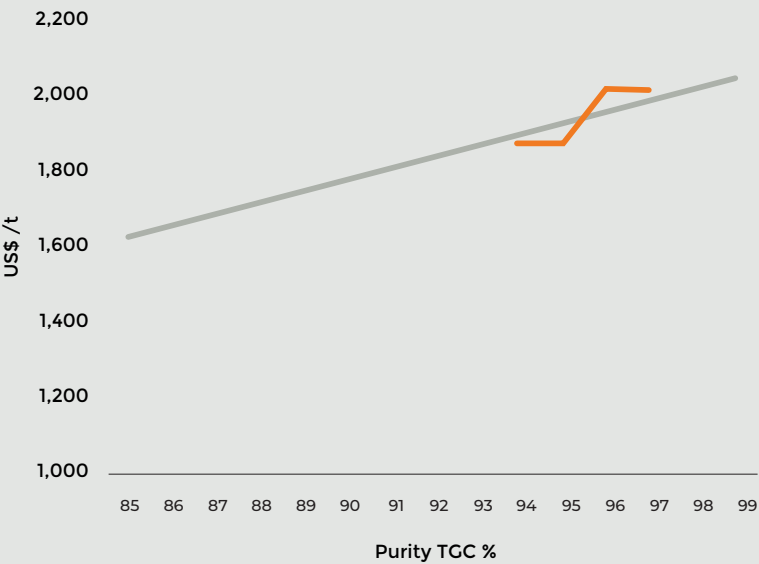
FLAKE SIZE (NOT PURITY) IS THE MOST IMPORTANT PRICE DETERMINANT

Price premium for flake size exceeds purity

THE PRICE/SIZE RELATIONSHIP

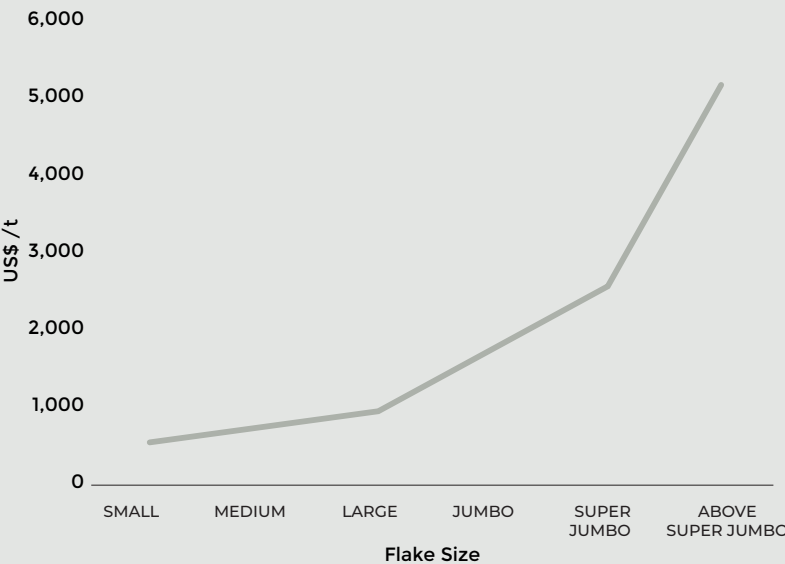
Our market insight is backed by our funding and offtake partners

PRICE/PURITY 300µm - WEAK PRICE IMPACT

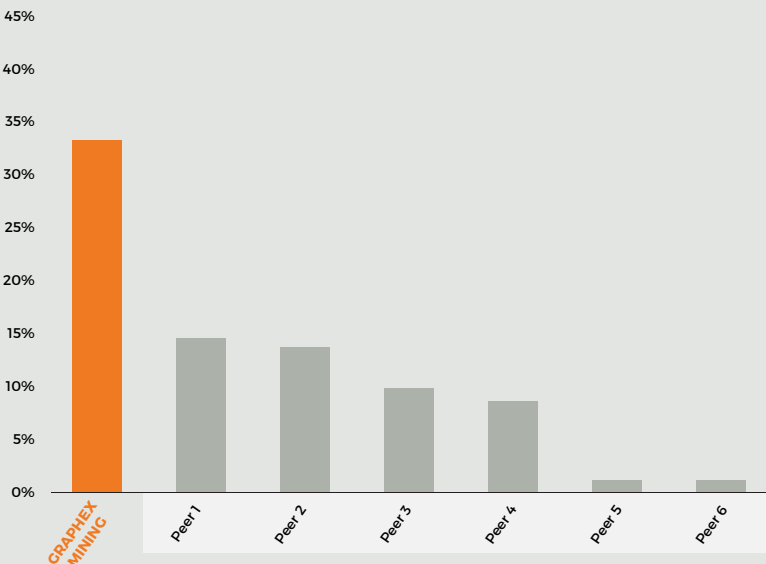


Pricing Source: — Benchmark Mineral Intelligence — Chinese market sources

PRICE/SIZE - STRONG PRICE IMPACT



CUMULATIVE PRODUCT >500µm



CONVERTING MICRONS TO MARGINS

Valuable product portfolio

US\$1,777/t³

Basket sale price

US \$1,277/t

Operating Margin

57% OF GPX
PRODUCT

achieves
premium price

PRICING
SOURCE³

Lower of BMI and
Chinese market
sources

GPX BASKET PRICE						
Flake Size	Microns	Mass Dist. %	Grade TGC %	Price (US\$/t)	Basket Sale Price (US\$/t)	
Above Super Jumbo	> 850	9	93.4	\$5,150	\$437	PRICE PREMIUM FLAKE SIZE
Super Jumbo	500 – 850	24	90.3	\$2,540	\$620	
Jumbo	300 – 500	24	88.6	\$1,757	\$427	
Large	180 – 300	9	98.7	\$974	\$83	REFRACTORIES & EXPANDABLE
Medium	150 – 180	5	98.8	\$779	\$39	LITHIUM ION BATTERIES & EXPANDABLE
Small	< 150	29	97.4	\$583	\$171	
WEIGHTED AVERAGE BASKET SALE PRICE (FOB)					US\$1,777	

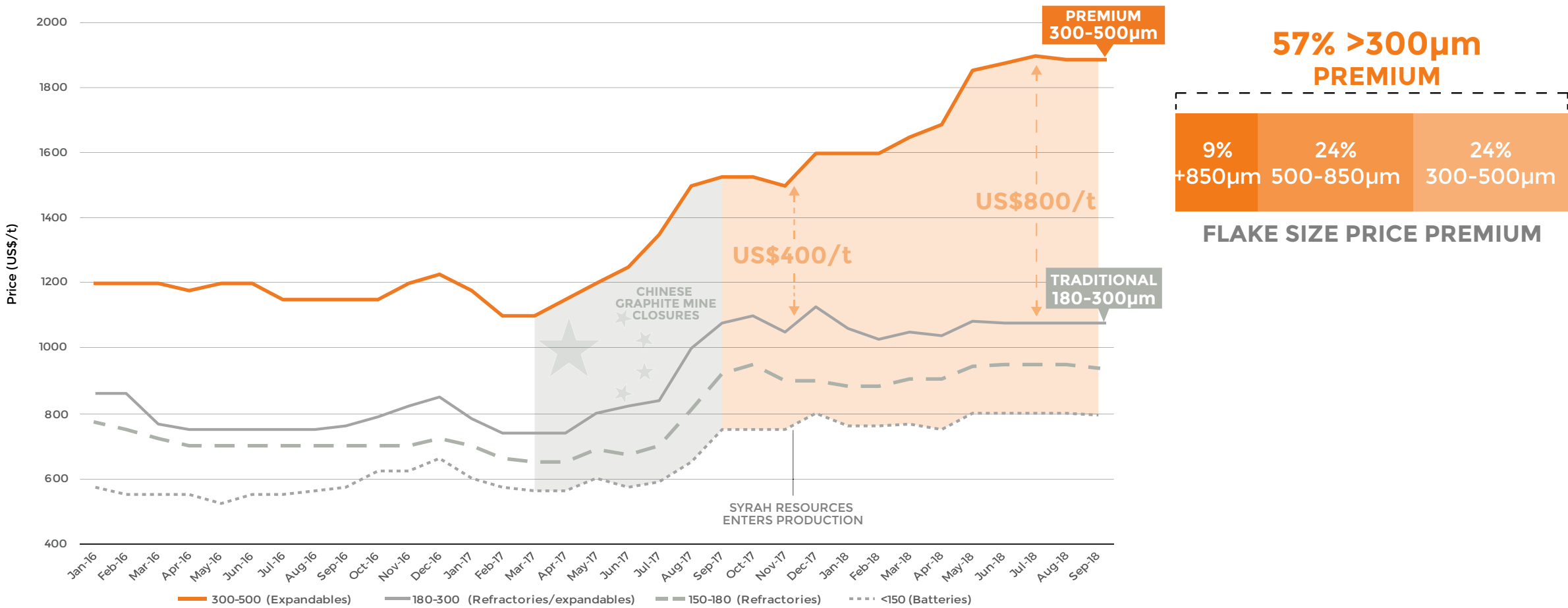
3 The weighted average basket price is based on information obtained from CN Docking and reputable Chinese trading houses, with the most conservative estimates used.

MINE THE GAP

Growing price inequality between premium and traditional markets

(EXPANDABLE)

(REFRACTORY)



Source: Benchmark Mineral Intelligence

FLAME RETARDANT REVOLUTION

China stepping stone to the global market



CHINA DRIVES GLOBAL FLAME RETARDANT
BUILDING (FRBM) MATERIAL INDUSTRY

**"China needs 40Mtpa of FRBM's,
which will contain 5% expandable graphite."**

Mr Jiang Yang, Group Vice President - China National Building Materials



UK GRENFELL TOWER
FIRE REGULATORY
RECOMMENDATIONS

CHINA FRBM
MANDATED
BUILDING CODE

UAE SKYSCRAPER
FIRE REGULATORY
RECOMMENDATIONS

AUSTRALIA INDUSTRY
BEST PRACTICE FOLLOWING
GRENFELL (UK)

**GPX HAS THE RIGHT
PRODUCT FOR THE
RIGHT MARKET**

CHINA GRAPHITE SUPPLY UNDER THREAT

Issues facing graphite production

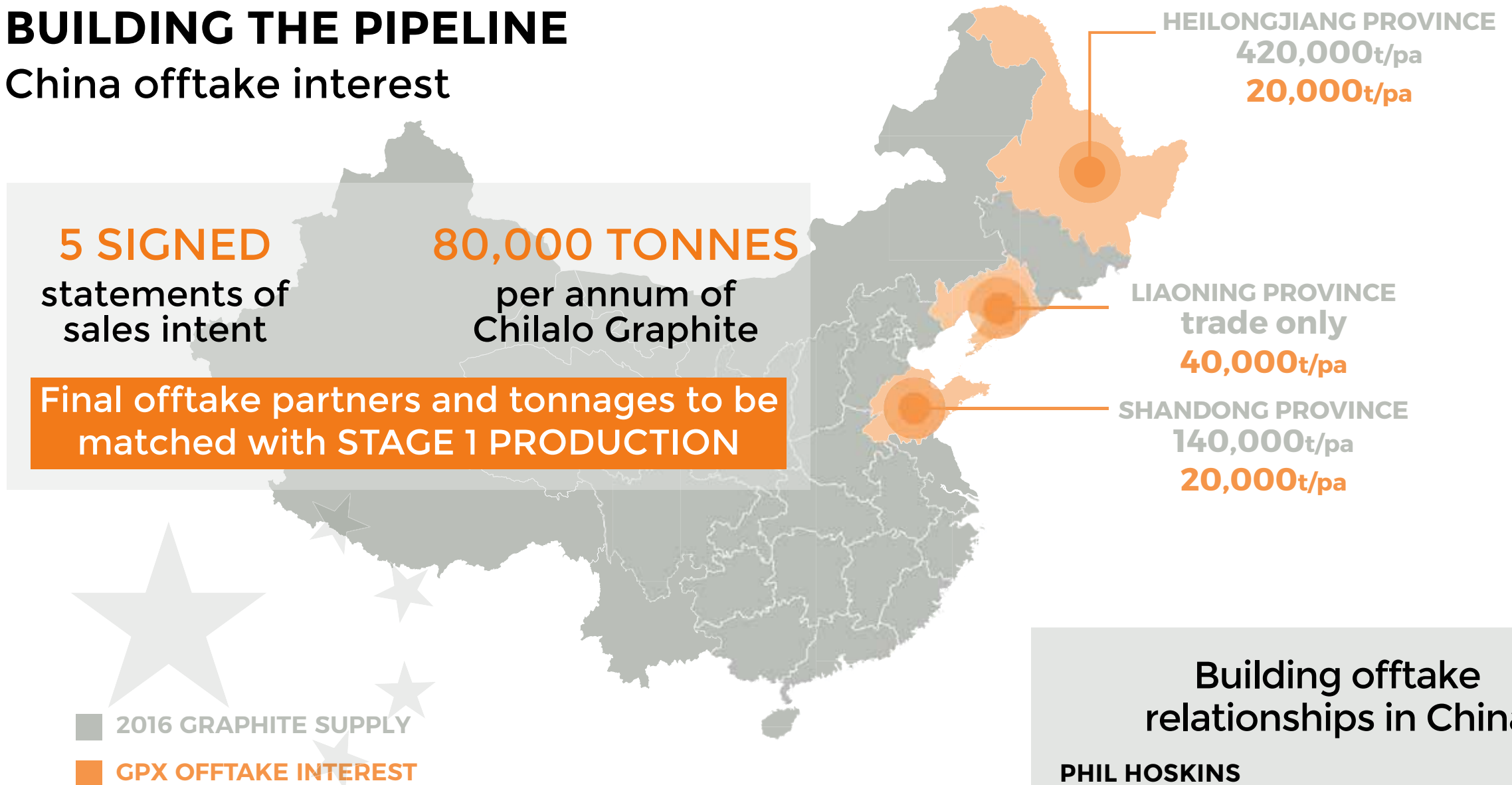
China has historically produced **+70% OF THE WORLD'S GRAPHITE**

Chinese production of graphite is under threat due to **CHINESE GOVERNMENT ENVIRONMENTAL CRACKDOWN** causing mine closures and threatening an industry already impacted by diminished large flake graphite reserves

Structural change will see **EAST AFRICA REPLACING CHINA** as the world's leading supplier of graphite

BUILDING THE PIPELINE

China offtake interest



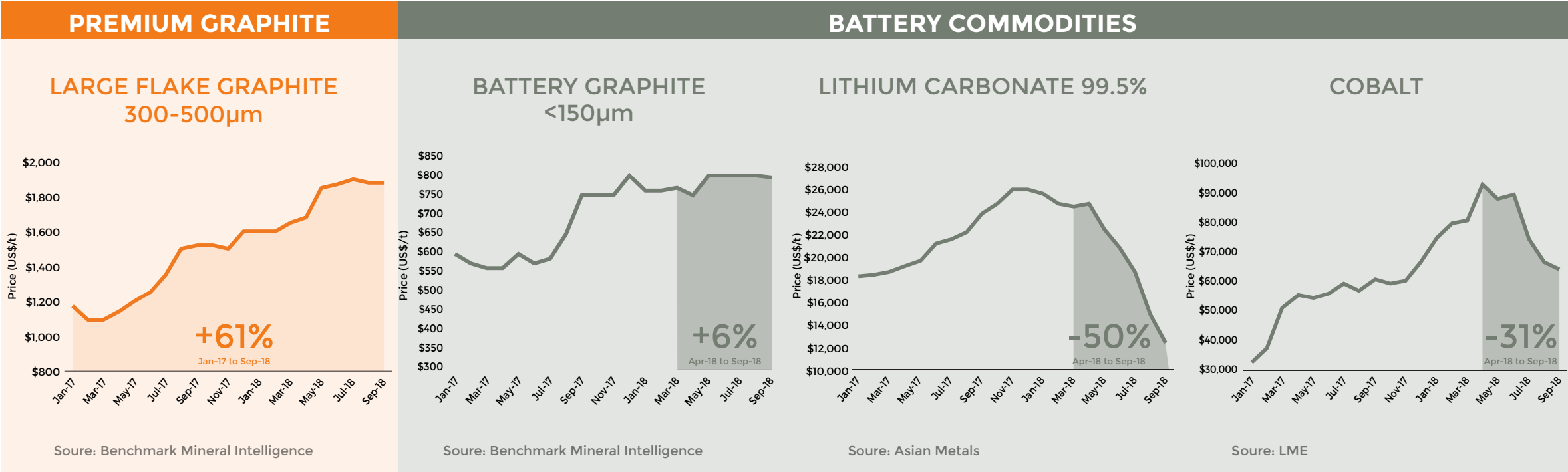
Building offtake relationships in China

PHIL HOSKINS

5yrs in-country experience (Regular in-China
interaction with offtake partners)

THE UNDERSTATED OVERACHIEVER

Surging large flake graphite price obscured by EV story



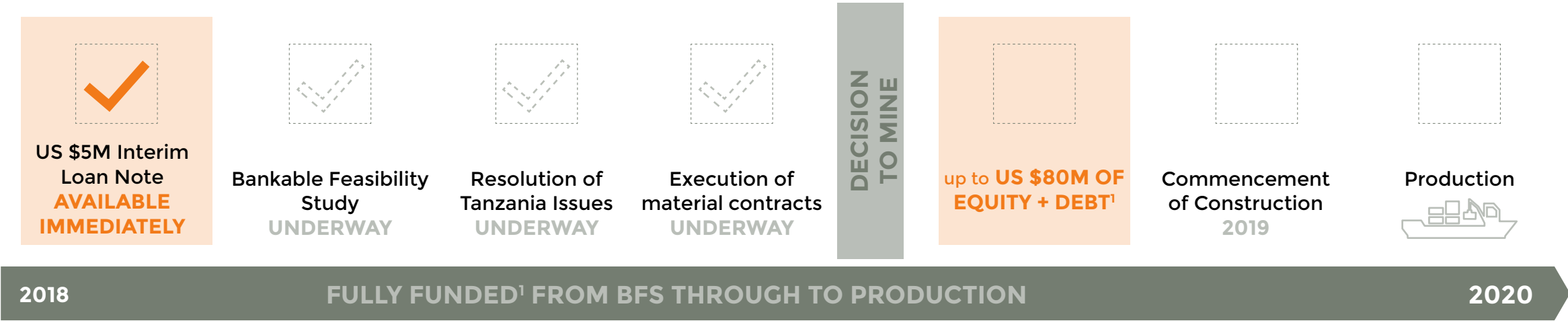
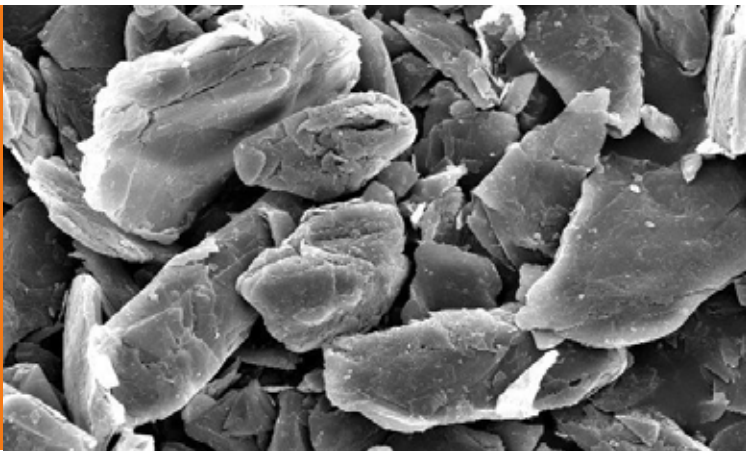
Large flake graphite prices have risen over 60% since early 2017

FUNDING CONDITIONS UNLOCKING PATHWAY TO PRODUCTION

Strategy targeting 2020 production

Management attention now concentrated on resolution of financing conditions ahead of targeted production by 2020

US\$32.5m STAGE 2 mine expansion to be funded from STAGE 1 cash flows



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EXPANDING OUR HORIZONS

investing in east African Graphite

TRANSFORMATIVE FUNDING ARRANGEMENT

transparent, fully funded pathway to cashflow
with experienced resource investors

>500µm MICRON - COMPETITIVE OFFTAKE ADVANTAGE

highest margin producer, product tailored for
expandable graphite partners

CENTURY OF GRAPHITE

two once-in-a-generation demand events

GRAPHITE: A PERFECT STORM

permanent supply disruption plus demand
megatrend increasing prices and creating
supply opportunities

SIGNIFICANT THIRD-PARTY VALIDATION OF PROJECT, PRODUCT AND STRATEGY



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CORPORATE OVERVIEW

CAPITAL STRUCTURE

Market Cap	A\$22.5M
Shares on Issue	78.8M

MAJOR SHAREHOLDERS

J P Morgan Nominees Australia Limited	6.6%
MMG Exploration Holdings	4.5%
One Managed Investment Funds Limited	3.7%
BNP Paribas Nominees	3.5%

BOARD & MANAGEMENT

Stephen Dennis	Non-executive Chairman
Grant Davey	Non-executive Director
Phil Hoskins	Managing Director

JORC TABLE

DOMAIN	CLASSIFICATION	TONNES (MT)	TGC%	CONTAINED GRAPHITE (KT)
High-grade zone	Probable Reserve	5.3	10.9	576
Total ore reserves	Probable Reserve	5.3	10.9	576
High-grade zone	Indicated	5.2	11.9	622
High-grade zone	Inferred	11.7	9.4	1,100
Total high-grade resource	Indicated and Inferred	16.9	10.2	1,722
Low-grade zone	Inferred	36.6	3.5	1,265
Total resource	Indicated and Inferred	53.5	5.6	2,987

INTERIM LOAN NOTES – SUMMARY TERMS

AMOUNT	US\$5 million
USE OF FUNDS	Funding activities that will satisfy the conditions precedent to the Senior Funding Package
TERM	Two years
INTEREST RATE	<ul style="list-style-type: none">• 15% on drawn funds, 4% commitment fee on undrawn funds• Graphex can elect to capitalise
FEES	<ul style="list-style-type: none">• Structuring fee of 2% of the Amount and an issuer discount of 7.5% on drawn funds• Graphex can elect to capitalise
SHARES	1.645M GPX.ASX shares, at no cost
SECURITY	Security over shares in subsidiary company that indirectly owns the Chilalo Project
BOARD SEAT	1 Board representative

SENIOR FUNDING PACKAGE – SUMMARY TERMS

SENIOR FUNDING PACKAGE	<ul style="list-style-type: none"> Up to US\$40 million in secured debt and up to US\$40 million equity GPX able to undertake market capital raising however Castlelake Funds' shareholding will be not less than 40% Debt/equity ratio not to exceed 50/50 	WARRANTS	2 x 6.705M 5 year warrants with exercise price lower of: <ul style="list-style-type: none"> A\$0.20 30% discount to 5 day VWAP at time of issue
USE OF FUNDS	Construction and ramp-up of Chilalo Project	EQUITY ISSUE PRICE	Lower of: <ul style="list-style-type: none"> Any equity raising between now and the Castlelake Funds' investment 10% discount to 15 day VWAP A\$0.28 per share
DEBT TERM	Three years from drawdown	CONDITIONS PRECEDENT	<ul style="list-style-type: none"> Resolution of Tanzania issues Completion of bankable feasibility study Execution of material contracts Entry into full form documentation Confirmatory due diligence in relation to the above
INTEREST RATE	15% capitalised until the earlier of: <ul style="list-style-type: none"> 18 months from drawdown Commercial production 	SECURITY	Security over all assets and accounts
FEES	<ul style="list-style-type: none"> Structuring fee of 2% of the Loan Amount and an issuer discount of 7.5% on drawn funds Graphex can elect to capitalise fees 	RELATIONSHIP AGREEMENT	<ul style="list-style-type: none"> 2 Board representatives Anti-dilute rights