POISED TO BECOME TANZANIA'S FIRST GRAPHITE MINE

Investor Presentation July 2019

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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.

POISED FOR PRODUCTION

Funded for graphite delivery

US$80M FUNDING PACKAGE

expected to fully fund mine construction to production[1]

UNRIVALLED GRAPHITE MARGIN

larger flake sizes attract premium prices

TANZANIA - IMPROVED REGULATORY CERTAINTY

expected near-term resolution of all issues

BFS EXPECTED Q4 2019

with draw-down of interim loan notes

NPV US$349M & 131% IRR[2]

fully permitted Chilalo delivers exceptional economics

1 Subject to agreed conditions per ASX announcement dated 29 October 2018 and slide 5
2 ASX Announcement dated 20 September 2018

CHILALO LARGE FLAKE GRAPHITE PROJECT

High-grade resource

FULLY PERMITTED

with Mining Licence and Environmental Approvals

16.9Mt GRAPHITE @ 10.2% TGC[3]

Ore Reserves 5.3Mt @ 10.9% TGC

100-350Mt @ 3-11% TGC[2]

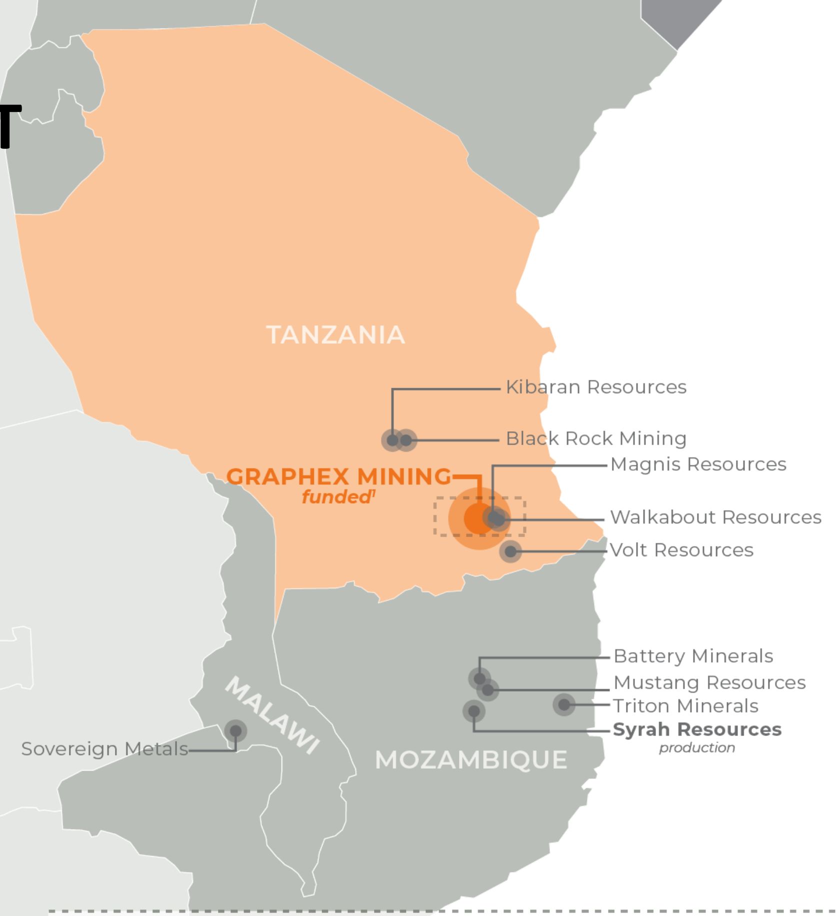
multi-decade mine life potential

RESOURCE UPGRADE IMMINENT

pending BFS will extend mine life

PROGRESSING BFS

expected Q4 2019



TANZANIA'S GRAPHITE CORRIDOR

20kms - 3 emerging ASX companies

Company	STAGE	MARKET CAP[4]
Graphex (GPX)	DFS*	$21M
Magnis (MNS)	BFS	$126M
Walkabout (WKT)	DFS	$123M

*expected Q4 2019

1 ASX Announcement of funding dated 29 October 2018
2 ASX Announcement of exploration target tonnage dated 2 September 2015
3 ASX Announcement dated 20 September 2018
4 As at 5 July 2018 via www.asx.com.au

GLOBAL INVESTMENT FIRM STAKES GRAPHEX POSITION

Industry-first graphite financing independently validates

- Chilalo Project quality
- Market opportunity for large flake product

MILESTONES TO FUND PRODUCTION

PRINCIPAL CONDITIONS to unlock Senior Funding Package[1]

- Completion of BFS
  Q4 2019
- Resolution of issues in Tanzania
  NEAR-COMPLETION

up to US$80M
Senior Funding Package

up to **US$40M** Senior Secured Loan Notes	up to **US$40M** Equity Investment

Final investment decision expected Post BFS

50/50 debt equity ratio

Castlelake Funds to take substantial equity position in GPX

Equity priced at 10% discount to 15-day VWAP subject to max price of $0.28

CASTLELAKE

Global Investment Firm
with US$13.7B under management

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

1 Refer ASX Announcement 29 October 2018 for full list of conditions

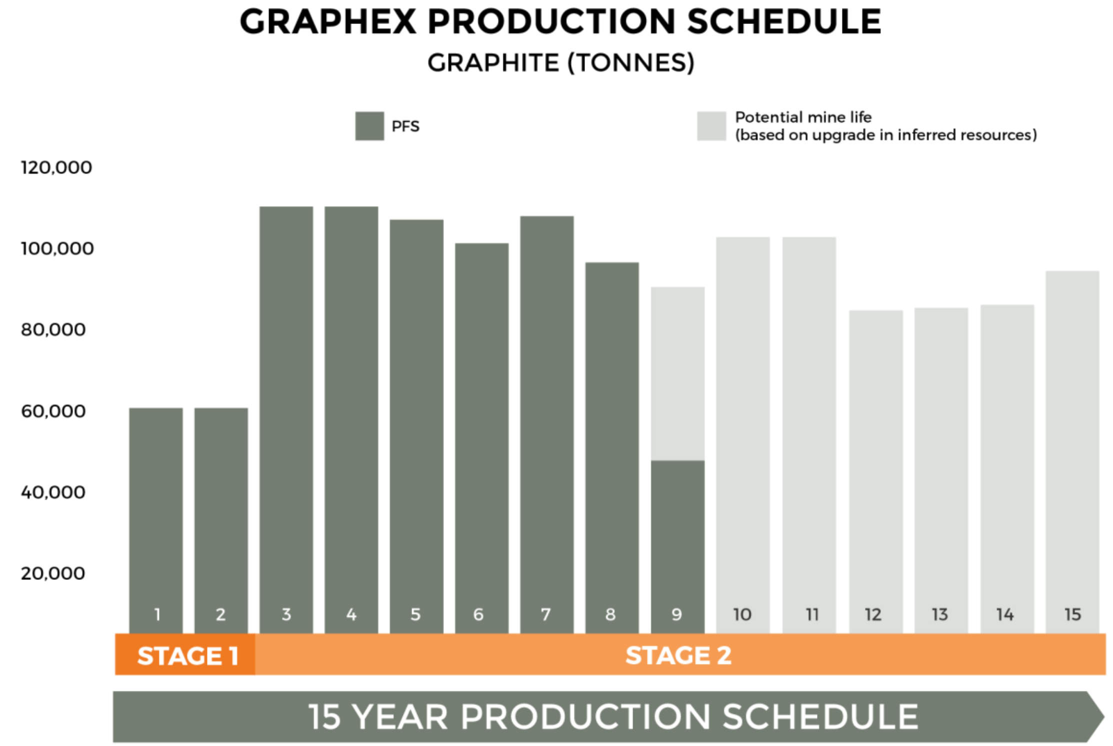
CHILALO DEVELOPMENT PLAN

PFS highlights compelling economics[1]

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 head grade	% TGC	10.6%
Stage 1 Average EBITDA	US$m	67
Stage 2 Average EBITDA	US$m	126
Average sales price FOB Mtwara	US$/t	1,777
Operating cost per tonne of production	US$/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



1 Refer ASX Announcement dated 20 September 2018

ROOM TO GROW

Multi-decade mine life potential

- Low-cost resource expansion using proven ground EM and field work
- Exploration target tonnage of 100-350Mt @ 3-11% TGC[1]
- 34km of untested strike length with similar conductivity to high-grade resource

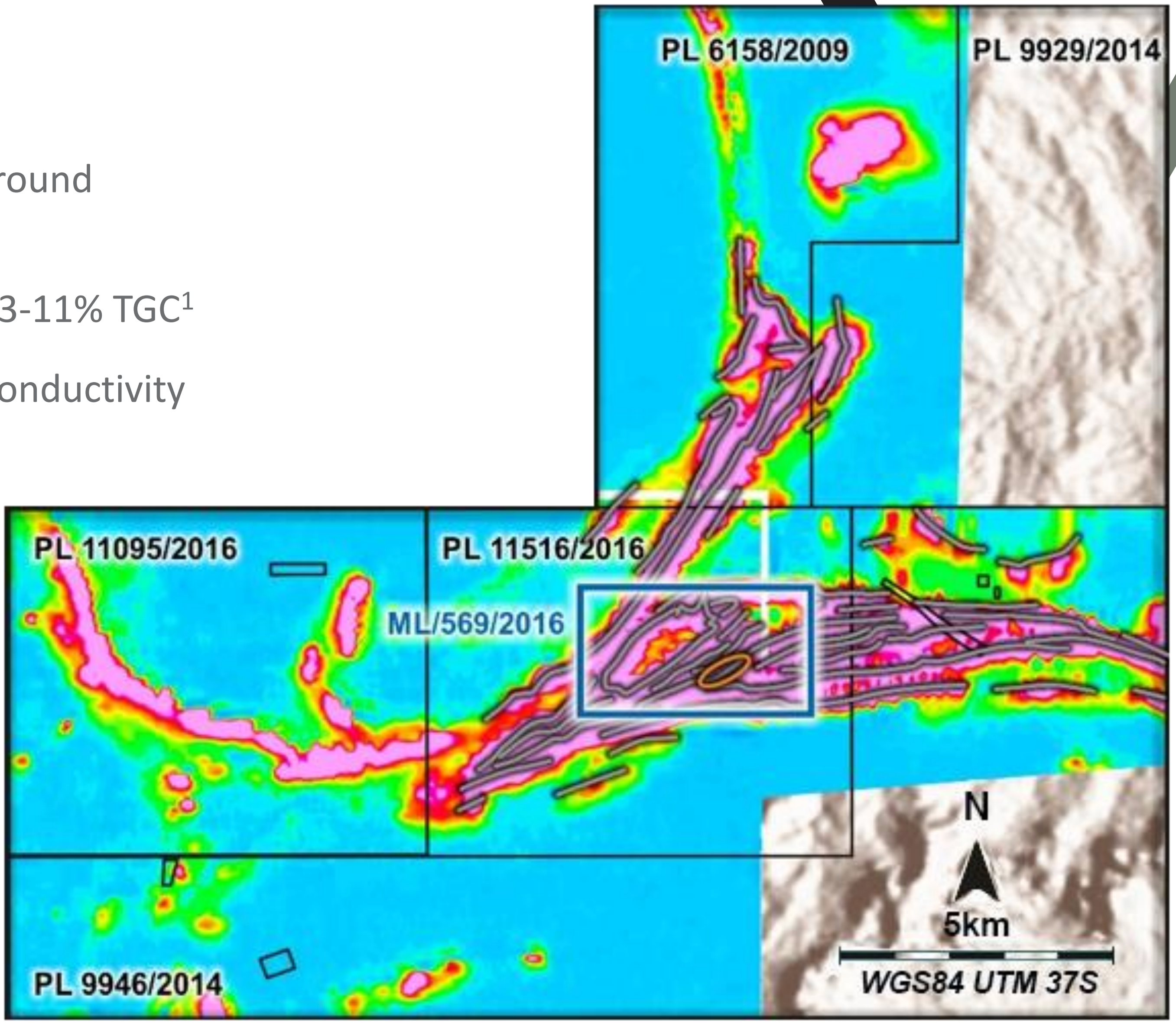
CHILALO GRAPHITE PROJECT

VTEM Image Showing Conductive Targets

Mining Licence

Prospecting Licence

VTEM Conductor Axes



1 Refer ASX Announcement dated 2 September 2015

CONVERTING MICRONS TO MARGINS

Chilalo large flake price premium

US$1,777/t[1]
Basket sale price

US $1,277/t[1]
Operating Margin

57% OF GPX PRODUCT
Achieves premium price

PRICING SOURCE[1]
Lower of BMI and Chinese market sources

GPX AVERAGE SALE PRICE

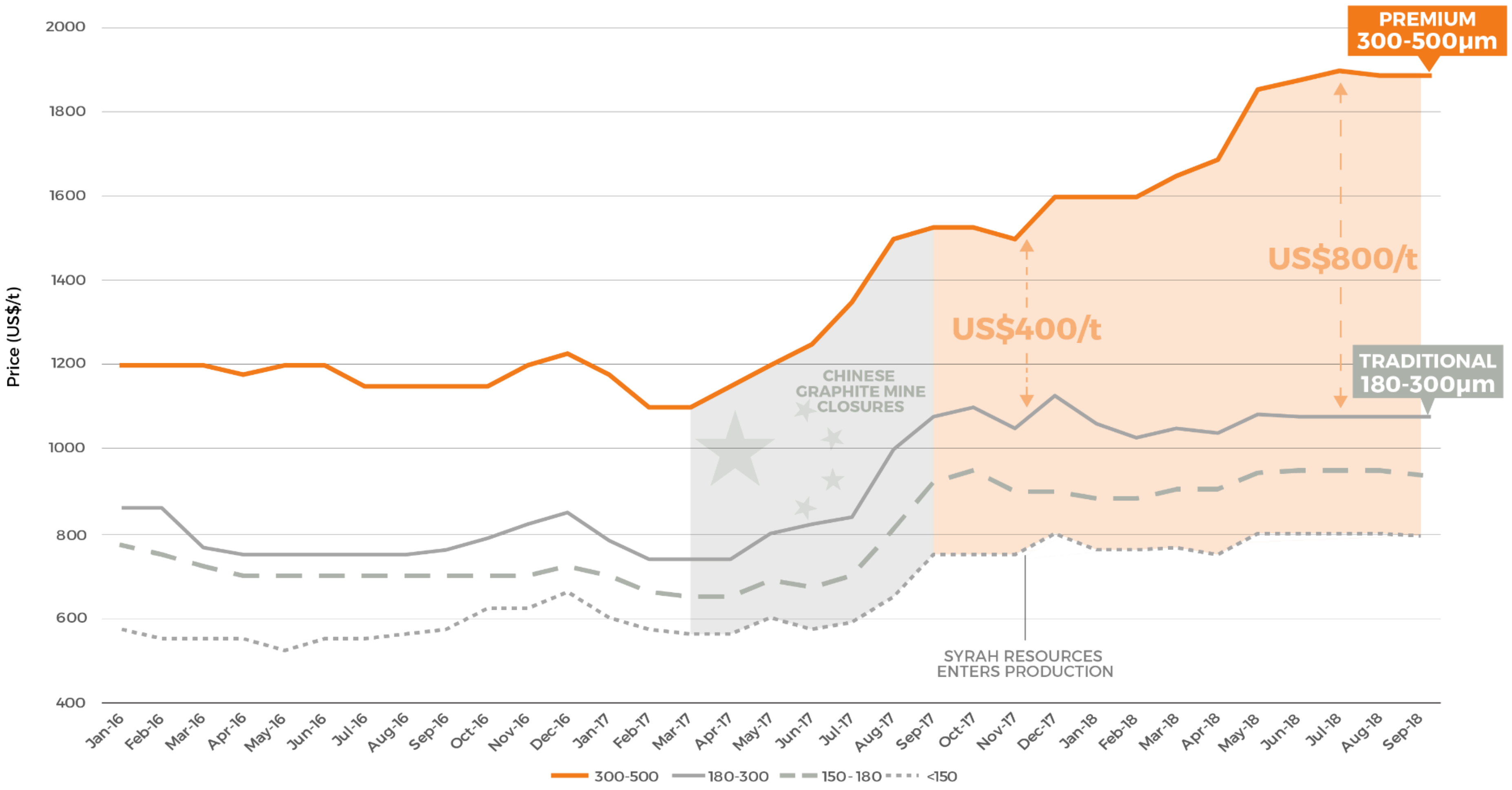
Flake Size	Microns	Mass Dist. %	Grade TGC %	Price (US$/t)	Average Sale Price (US$/t)		
Above Super Jumbo	**> 850**	**9**	**93.4**	**$5,150**	**$437**		FLAKE SIZE PRICE PREMIUM
Super Jumbo	**500 – 850**	**24**	**90.3**	**$2,540**	**$620**	**EXPANDABLE**	
Jumbo	**300 – 500**	**24**	**88.6**	**$1,757**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

1 The weighted average sale price is the lower of information obtained from Benchmark Mineral Intelligence and reputable Chinese industry sources, with the most conservative estimates used

MINE THE GAP

Growing price inequality between premium and traditional markets

(EXPANDABLE) (REFRACTORY)



Source: Benchmark Mineral Intelligence

IMMINENT RESOLUTION OF TANZANIAN GOVERNMENT ISSUES

Clarification expected to allow mine financings to proceed

- Graphex receives official response to submission[1]
- Letter from Ministry provides clarity on:
  - ☑ Ability to export graphite concentrate
  - ☑ Government free carried interest
  - ☑ Fiscal stabilisation agreements
- Final Government assurances are expected imminently

Nedbank CIB underwrites Strandline (ASZ:STA) US$26 million project financing for the Fungoni Project, located in Tanzania

STRANDLINE resources limited

NEDBANK

"Furthermore, the Government of Tanzania continues to show its full support for the commercialisation of Fungoni, recently granting approval for the Nedbank Facility under the amended legislation, as well as other key secondary level development approvals, including Fungoni's product logistics and export plan."

- Strandline ASX Announcement (17 June 2019)

STRONG CAPABILITY TO DELIVER IN AFRICA

PHIL HOSKINS
7yrs GPX/IMX

GRANT DAVEY
+10yrs Anglo Gold Ashanti & Cradle Resources

STUART MCKENZIE
+12yrs GPX/IMX & Anvil Mining

HEAVENLIGHT KAVISHE
Country Manager
(Tanzanian Government liaison)

1 Refer ASX Announcement 6 June 2019

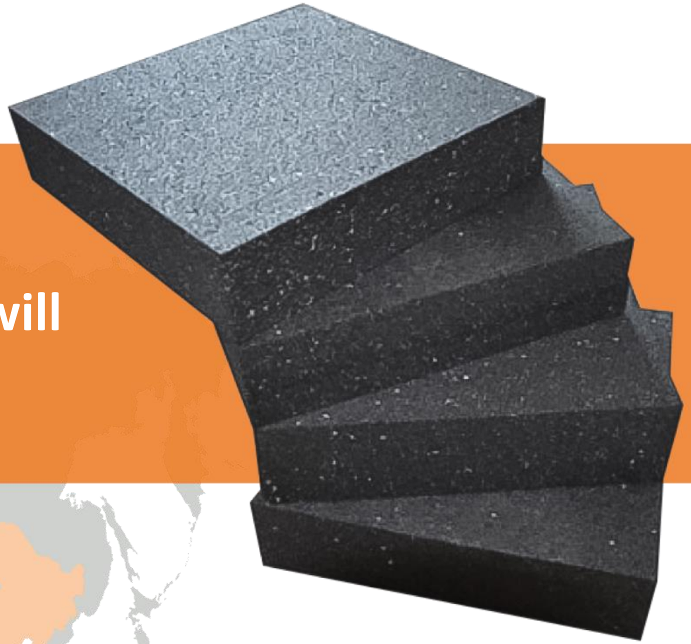
FLAME RETARDANT REVOLUTION

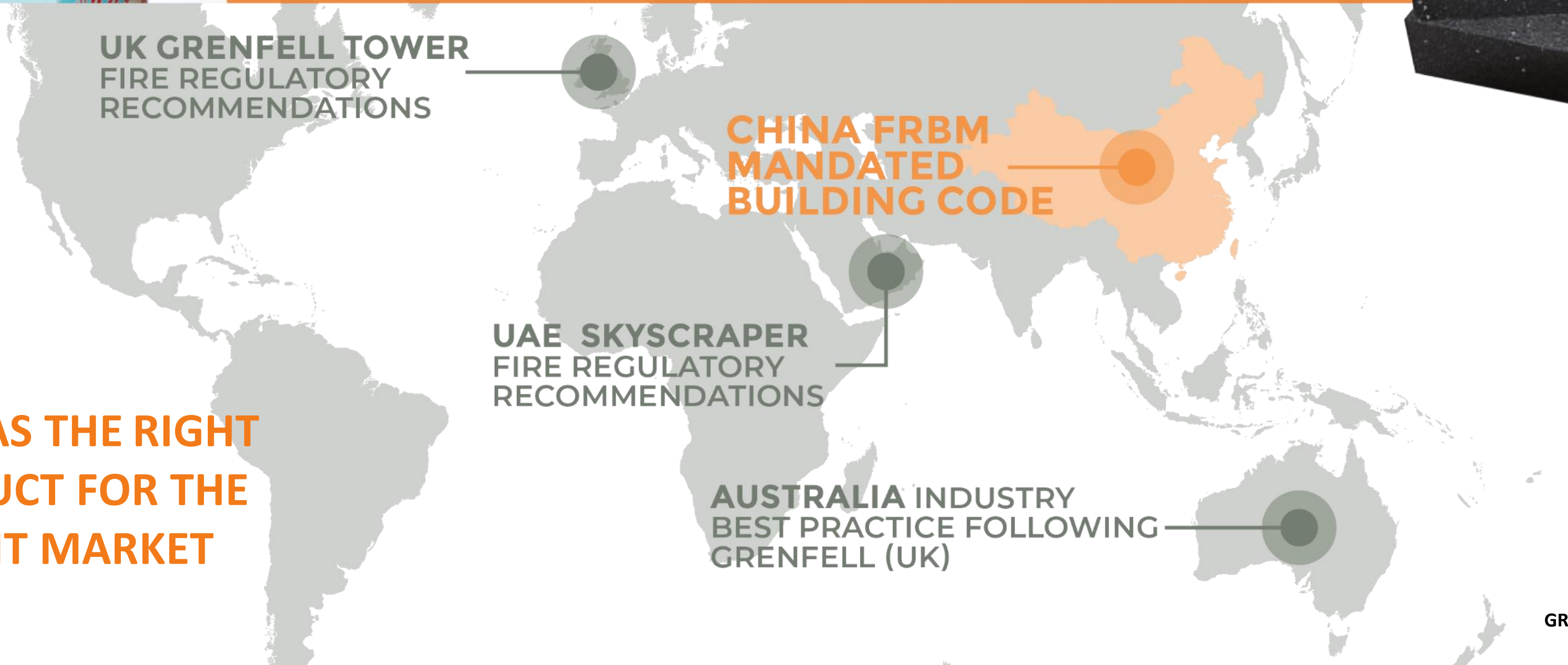
China stepping stone to the global market

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 (FRBM)





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

CHINA SALES PIPELINE

Final agreements expected prior to BFS completion

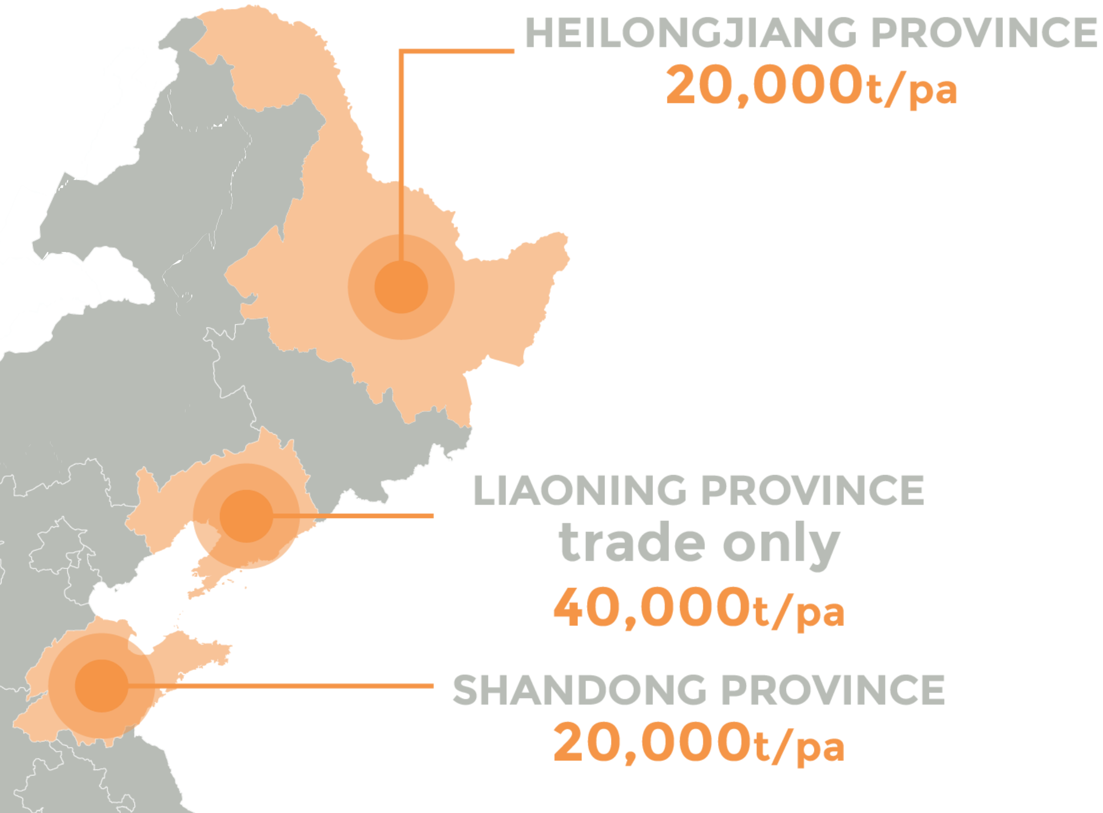
Markets-First Approach

Building customer relationships in China

- 41 potential customers or traders identified
- Numerous ‘pre-qualified’ customers
- Sales certainty underpinned financing
- Expandable market focus

PHIL HOSKINS | Managing Director
5 yrs in-country experience
(Regular in-China interaction with potential customers)

JUYAN FENG | Principal Consultant
Successfully negotiated over 50 Australia-China resources transactions



5 SIGNED	80,000 TONNES
Statements of sales intent	Per annum of Chilalo Graphite

Offtake interest exceeds
STAGE 1 PRODUCTION target
(>58,000 tonnes)

GPX OFFTAKE INTEREST

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$21.5M**
Shares on Issue	**88.15M**

MAJOR SHAREHOLDERS

J P Morgan Nominees Australia Limited	**7.30%**
Capital Drilling Limited	**6.01%**
BNP Paribas Nominees <DRP>	**5.83%**
BNP Paribas Nominees <IB AU Noms Retail Client DRP>	**5.00%**
MMG Exploration Holdings	**4.02%**

BOARD & MANAGEMENT

Stephen Dennis	Non-executive Chairman
Grant Davey	Non-executive Director
Daniel Saint Don	Non-executive Director
Phil Hoskins	Managing Director
Warren King	Project Manager

JORC TABLE

DOMAIN	CLASSIFICATION	TONNES (MT)	TGC%	CONTAINED GRAPHTE (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