



SYRAH ANNOUNCES RESIGNATION OF MANAGING DIRECTOR

- **Mr Tolga Kumova has with the agreement of the Syrah Board resigned as Managing Director as part of a transition reflecting the evolving strategic direction of the Company;**
- **Syrah's Chairman, Mr Jim Askew, will step into an Executive Chairman role for the interim period until such time as a new Managing Director is appointed; and**
- **The Board has initiated a formal global search process for a new Managing Director; and**
- **Mr Kumova to remain involved in the Business as a consultant focused on business development opportunities in the battery anode market.**

The Board of Directors of Syrah Resources announces the resignation of its Managing Director, Mr Tolga Kumova, effectively immediately. The Board wishes to thank Mr Kumova for his outstanding service to the Company, where, in the last two years in this role, he has overseen the transformation of the Company from an aspirational graphite producer to a fully-funded company in advanced construction of the Balama Project in Mozambique. Mr Kumova has also resigned as a Director of Syrah Resources.

Mr Kumova's resignation and initiation of a search for a new managing director is part of a transition reflecting the evolving strategic direction of the company and the key development activities it is currently undertaking.

Recognising the value of Mr Kumova's contribution to building Syrah's business to date, the Board and Mr Kumova have agreed that he stay on as an advisor, focussed on business development opportunities for the battery anode market.

The Board has commenced a formal search process to identify a new Managing Director for the company, and anticipates that this should be completed within coming months.

Until a new Managing Director is appointed, the Company's current Chairman, Mr Jim Askew, will assume the position of Executive Chairman in a part-time capacity, supported by a strong management executive team in Melbourne head office. Balama construction continues under the full control of Darrin Strange (COO) and his team in Perth and Mozambique. Mr Sam Riggall will act as Lead Independent Director until Mr Askew resumes his role as Non-Executive Chairman. The material terms of these interim arrangements will be announced to the market once formalised.

The Balama Project overseen by an experienced development and construction team in Mozambique remains on schedule and is progressing well toward commissioning of the mine in Q2 2017. In this respect, the Board is confident that, notwithstanding the management changes, the successful development of the Project will continue.

Mr Askew commented: "The Board thanks Tolga for his significant contribution and great vision in driving the success of Syrah in its achievements to date and his capacity to deliver a cogent strategy for product delivery to both traditional graphite markets and the burgeoning demand for high quality natural graphite into the EV space. Tolga's continuing involvement with the latter will ensure Syrah remains at the forefront of providing new supply to the battery anode industry."



Mr Kumova stated: "I would like to thank our stakeholders in Mozambique, our investors, the management team and Board for their support in achieving Syrah's vision. We have taken a junior explorer to development and soon to be leading producer of superior quality graphite products to the world. As a shareholder, I am strongly supportive of the direction the company is taking and will assist in driving Syrah's strategy to become a significant participant in the battery anode industry."

Mr. Kumova's leaving arrangements and material terms of the advisory/consulting agreement are set out in the attachment.

An Appendix 3Z will be lodged today in respect of Mr. Kumova.

For further information contact:

Jim Askew

Chairman
Syrah Resources Limited
Contact - +61 419 353 832
Email: jim@jeaskew.com

John Knowles

Investor Relations
Syrah Resources Limited
Contact: +61 419 893 491
Email: ljknowles@optusnet.com.au

About Syrah Resources

Syrah Resources Limited (ASX code: SYR) is an Australian-based industrial minerals and technology company. Syrah is currently constructing the Balama graphite project (Balama) in Mozambique, with production scheduled to commence in Q2 2017. Balama will be the largest global producer, by a substantial margin, of high purity graphite. Balama production is targeted to supply traditional industrial graphite markets and emerging technology markets. Syrah has completed extensive product certification test work with several major battery producers for the use of Balama spherical graphite in the anode of lithium ion batteries.



Attachment

Managing Director Leaving Arrangements

Mr Kumova and Syrah Resources have agreed that Mr Kumova cease as managing director effective immediately.

Mr Kumova will be paid accrued salary and leave but no other termination payments will be payable (and no short term incentive payment or cash bonus will be paid for this financial year).

For so long as Mr Kumova remains an advisor/consultant to Syrah Resources he retains his option and performance rights entitlements as if an employee of the company (and subject also to the same vesting periods and TSR performance hurdle).

-

Advisory/Consulting Agreement

Mr Kumova and the Company have agreed that Mr Kumova or his personal company will provide advisory and consulting services to Syrah Resources focussed on business development opportunities for the battery anode market for at least 12 months. Mr Kumova will be entitled to monthly payments for such services equivalent to \$225,000 per annum.

Post Employment/Consulting Restraints

Under his employment contract Mr Kumova was subject to a restraint on being involved in a business which competes with the Company for 12 months after ceasing employment with the Company. He was also subject to a 12 month restraint on soliciting away Syrah Resources customers, clients and employees. Mr Kumova and the Company have agreed that such restraints will now apply for the period of the Advisory/Consulting Agreement and 12 months post termination of such agreement.