

Lamboo Resources is an Australian company focusing on substantial flake graphite assets located in the East Kimberley and South Korea



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LAMBOO RESOURCES ENTERS INTO MEMORANDUM OF UNDERSTANDING WITH CHINA SCIENCES HENGDA GRAPHITE GROUP.

The Directors of Lamboo Resources Limited (Lamboo or the Company) are pleased to announce that the Company has entered into a Memorandum of Understanding (MoU) with China Sciences Hengda Graphite Co., Ltd. (Hengda).

Hengda represents the only miner and supplier of flake graphite in Central China and, after recent rationalisations by the Chinese government, represents one of the few suppliers in the country. Hengda is fully vertically integrated with a 300,000 tpa mine at Yinjiaping producing 30,000 tonnes of graphite that is manufactured into an impressive array of industrial products at Yichang on the Yangzte River, 100 km away. The industrial products manufactured can only utilise high quality flake graphite. Hengda also produces 99.95% TGC lithium battery grade graphite and plans to introduce a graphene production facility this year.

This MoU forms the basis of a partnering arrangement between Lamboo and Hengda, established to demonstrate the parties commitment to collaboration and innovation in the delivery of flake graphite concentrate.

Lamboo Resources Managing Director Richard Trevillion commented “This is a significant milestone for Lamboo as the MOU confirms the significant interest the company is receiving for its high quality/purity flake graphite. The Company is in advanced discussions with several other counterparties (end users) to achieve long term sales contracts for its products and maximise returns for shareholders”.

The MoU covers the following services agreed to by both parties, including:

- Lamboo shall provide Hengda with metallurgical data from the McIntosh Project to assist Hengda to conduct commercial production trials on the McIntosh flake graphite. These results will lead to contractual arrangements in terms of a commercial agreement for McIntosh flake graphite.
- Lamboo will utilise Hengda's extensive experience in the mining and production of quality flake graphite to help to advance the development of the McIntosh project. This will involve sharing technological advancements in engineering and design, mining processes and metallurgy associated with the beneficiation of flake graphite.
- Based on a positive outcome from the graphite assessment, Hengda agrees to purchase Lamboo flake graphite products in an off-take agreement targeting market prices. The final product quality and the quantity of flake graphite requirements by Hengda will be the subject of a separate agreement.
- On the basis of this mutual benefit and partnership agreement, Lamboo aims to be a substantial supplier of flake graphite concentrate to Hengda and Hengda will represent a final processing option for Lamboo's flake graphite.



Technical director Dr Craig Rugless with Mr Wang Fen Jun, Chairman of China Sciences Hengda Graphite Co., Ltd. after signing the MoU agreement. Mr Peng Yu Jun from Hengda and Mr Joel Chong from Lamboo have been integral to the MoU.



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Location of Hengda's flake graphite mine and processing plant at Yijaping, Southern China.



Hengda's processing facility at Yichang. This building represents one of twelve similar buildings in two complexes dedicated to graphite manufacturing.



Hengda's chemical recycling facility required for the final flake graphite purification at Yichang.

Craig S Rugless
Technical Director

Richard Trevillion
Managing Director