

## Commencement of Drilling on Eastern Conductor Collection of Production Samples

The Company is pleased to announce the mobilisation of all personnel, equipment and the drill rig for the diamond drill program over the Eastern Conductor (Figure 2- see area within dotted lines).

The mobilisation across four states required extraordinary efforts in planning and logistics including navigating the constantly changing COVID-19 rules.



Figure 1: Diamond drill rig on site at Uley

The drill program represents Phase 1 of the two phase program previously announced by the Company and targets the area to the east of Uley 2. All drill hole locations sit within the Company's mining leases.

The diamond drill program will enhance the Company's strategic decision making relating to the future expansion of the Uley 2 pit and the location of basic operational infrastructure to support mining activities.

The Eastern Conductor was the subject of diamond drilling in 2015 as part of the Company's substantial diamond drill program over the whole of Uley 2. The 2015 program was conducted at 25 metre intervals.

Together with the 2019 upgrade to the JORC 2012 Mineral Resources Estimate, the 2015 drill program forms the basis of the Company's existing JORC 2012 Mineral Reserves included within the Uley 2 Definitive Feasibility.

The 2015 drill program included four drill holes only (MD308, MD309, MD310, MD311) within the Eastern Conductor. The additional 8 holes under the Phase 1 program directly target that part of the mineralised anomaly not covered in 2015.

The location of all Eastern Conductor diamond drill holes – existing and proposed (DD1-8) is detailed in Figure 3.

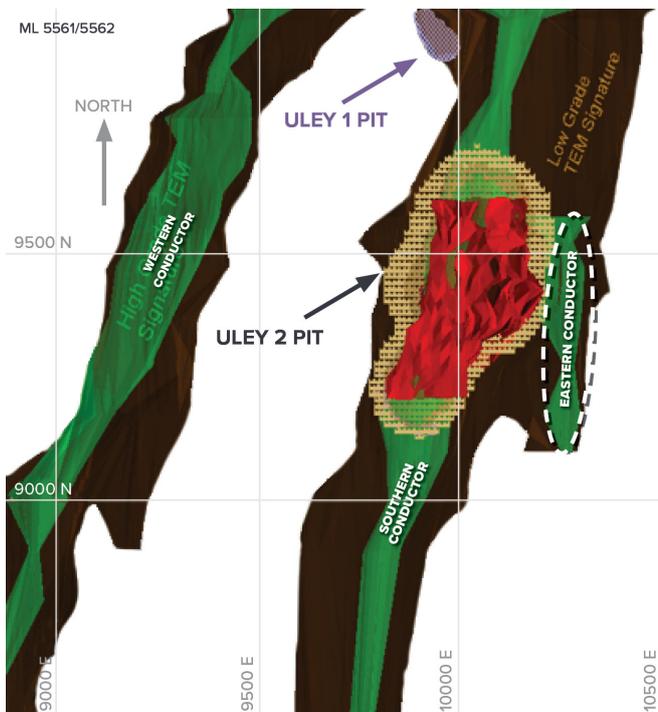


Figure 2 – Location of Uley 2 and Eastern Conductor

### ABOUT QUANTUM GRAPHITE LIMITED

QGL is the owner of the Uley flake graphite mineral deposits located south-west of Port Lincoln, South Australia. The company's Uley 2 project represents the next stage of development of the century old Uley mine, one of the largest high-grade natural flake deposits in the world. For further information, [qgraphite.com](http://qgraphite.com).



Figure 3 – Location of Eastern Conductor Drillholes

The Company will take advantage of the mobilisation of technical personnel and resume collection of production samples for its target customers. Production samples consist mainly of +196 course flake.

In addition, a range of production samples will be stockpiled in Melbourne to enable the Company to continue uninterrupted the testwork associated with its commitments under the joint venture with The Sunlands Co.

#### FOR FURTHER INFORMATION CONTACT:

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#### About The Sunlands Company Pty Ltd

Sunlands Co. is the owner of certain proprietary thermal management and storage technologies that utilise high purity natural flake graphite as the critical material in its products including its thermal energy storage (TES) cells. Its TES cells have a broad application and include the following key capabilities:

- (a) large scale systems for the storage of energy sourced from, (i) intermittent electricity generation such as renewables (i.e., solar PV, wind etc); and/or (ii) off peak electricity supply;
- (b) edge of grid supply balancing and augmentation of existing electricity infrastructure especially in regional and rural areas;
- (c) small and mid-scale systems for the storage of energy to deliver Ancillary Services to existing electricity networks; and
- (d) small scale and micro systems servicing energy distributors requiring greater control over the increasing export of energy from rooftop and community solar.

Quantum Graphite's Uley mine flake is considered by Sunlands Co. to offer superior geochemistry for its downstream processing and utilisation as the principal thermal storage media for its technologies.

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