

QUARTERLY ACTIVITIES REPORT

Vertically integrated battery anode materials developer **EcoGraf Limited** (“EcoGraf” or “the Company”) (ASX: EGR) is pleased to release its activities and cash flow reports for the three months ended 31 March 2023.

HIGHLIGHTS

EXTRACT

EcoGraf Natural Graphite Projects

- EcoGraf Signs Framework Agreement with Government of Tanzania (Government) with new joint venture entity Duma TanzGraphite incorporated to develop and operate Epanko, with an 84% interest held by EcoGraf and a 16% free-carried interest held by the Government
- Pre-development program delivers outstanding results and attractive Stage 1 financial metrics¹ to support funding program:
 - Pre-tax ungeared NPV₁₀ of US\$348m (versus US\$211m)
 - Ungeared internal rate of return (IRR) 36%
 - Average annual EBITDA over the initial 10 years² of US\$79m
 - Pre-production capital costs US\$134m³
- Stage 1 Value Engineering results:
 - ‘Oxide First’ strategy aims to deliver a 22% increase in production capacity to 73,000tpa for minimal incremental capital cost
 - Operating costs optimised through reduced drill and blast, less rehandle and lower consumption of reagents
 - Stage 1 mine life extended to 18 years, with significant scope for additional staged extension
 - Metallurgical test work supports simpler, single line flotation circuit, reducing capital cost and de-risking the flowsheet
 - Stripping ratio for waste reduced from 0.44 to 0.27 delivering lower mining costs
 - Deferral of US\$6m capital for the Fresh Ore sulphide circuit and tailings pond
- 38% Increase in Epanko Mineral Resource Estimate (MRE), with total MRE increased to 128.2Mt at 7.4% Total Graphitic Grade (‘TGC’) for 9.48Mt of contained graphite
- Tanzania Electric Supply Company (TANESCO) signed MoU for the development of transmission infrastructure for the supply of grid power to Epanko
- President of Tanzania Dr Samia Suluhu Hassan accepts EcoGraf’s invitation to be ‘Guest of Honor’ at next year Pre-International Women’s Event in Dar Es Salaam during her speech in Dodoma
- US Vice President Kamala Harris’ visit to Tanzania to deepen the strategic relationship with the Tanzanian Government and highlight its importance as a key emerging supplier of critical EV battery minerals

UPGRADE

EcoGraf™ Battery Anode Material

- Evaluating locations for Manufacturing shaping facility with site visits with Government officials in Tanzania
- EcoGraf filed Evidence in Answer lodged with IP Australia to oppositions raised by two parties to the Company’s Patent Application 2021261902 “Method of producing purified graphite”
- Tender process finalised for EcoGraf product qualification facility, with key vendors selected for major equipment for scale up testing for qualification and commercial plants

- Continued flowsheet optimisation with a focus on reducing cost
- Continued development of environmentally clean & non-polluting recarburiser products (GreenRECARB) for steel manufacturing utilising fines by product from the milling and spheronising
- Discussions continuing with key battery market participants in Asia, North America and Europe with visits to prospective customers in Korea and Japan in support of ongoing product qualification programs
- Commercial production facility site evaluation broadened to include benchmarking of alternative technologies to inform EGR's purification development strategy

RECYCLE

EcoGraf™ Anode Material Recycling

- Electrochemical performance on SungEel Hitech recovered graphite achieved 99.98% carbon matching that of the brand-new commercial natural anode graphite
- Evaluation continued with battery manufacturers and electric vehicle OEM's to support their sustainability programs in EU and US
- Process and product development works program continue with optimising the flowsheet for the treatment of recycled anode scrap utilising EcoGraf HFfree™ Purification process

CORPORATE

- Innogy Limited (Innogy) Prospectus lodged - demerger to unlock shareholder value in Nickel and Lithium with Initial Public Offering (IPO) of battery cathode minerals subsidiary
- Jurgen Gnoinski appointed to the position of Manager – Battery Anode Material Development
- Further recruitment of personnel in Australia, Tanzania and South Africa to support project development programs
- Cash and deposits as at 31 March 2023 of \$39.5m

Notes

¹ Financial metrics are in nominal terms.

² Post commissioning and ramp up phase.

³ Un-escalated 2023 dollars

⁴ Nominal, includes port wharfage charges levied at 1% of the FOB price. Excludes royalties.



BUSINESS SUMMARY

EcoGraf is building a vertically integrated battery anode materials business to produce high purity graphite products for the lithium-ion battery and advanced manufacturing markets. Over US\$30 million has been invested to date to create a highly attractive graphite mining and mineral processing business.

In Tanzania, the Company is developing the **TanzGraphite** natural flake graphite business, commencing with the Epanko Graphite Project, to provide a long-term, scalable supply of feedstock for EcoGraf™ battery anode material processing facilities, together with high quality large flake graphite products for specialised industrial applications.

Using its environmentally superior EcoGraf HFfree™ purification technology, the Company will upgrade the flake graphite to produce 99.95%C high performance battery anode material to supply electric vehicle, battery and anode manufacturers in Asia, Europe and North America as the world transitions to clean, renewable energy.

Battery recycling is critical to improving supply chain sustainability and the Company's successful application of the EcoGraf™ purification process to recycle battery anode material provides it with a unique ability to support customers to reduce CO₂ emissions and lower battery costs.

Vertically Integrated Battery Anode Materials Business

EXTRACT



TanzGraphite Natural Graphite

High quality, long life Epanko and Merelani-Arusha Graphite Projects

UPGRADE



EcoGraf HFfree™ Battery Anode Material

High performance, low CO₂ battery anode material

RECYCLE



Anode Recycling

EcoGraf™ purification technology with sector leading ESG credentials



EXTRACT

UPGRADE

RECYCLE

QUARTERLY ACTIVITY UPDATE

EXTRACT

ECOGRAF NATURAL GRAPHITE PROJECTS

The Company's natural flake graphite business is focussed on development of the long-life, high quality Epanko Graphite Project (Epanko or the Project) in Tanzania, where extensive exploration, evaluation and feasibility programs have been completed to establish a development-ready new graphite mine.

Rigorous evaluation conducted with prospective customers demonstrates that the unique geology of Tanzanian graphite delivers a superior battery anode material product which outperforms other global reference materials in mechanical shaping, purification and electrochemical benchmarking analysis.

Epanko Framework Agreement

On 17 April 2023 the Company signed a Framework Agreement with the Government of Tanzania for the development and operation of Epanko. The signing ceremony took place in the presence of Tanzanian President, Her Excellency Samia Suluhu Hassan at the new State House in Dodoma, marking a major milestone in the Company's plans to develop a new world class natural graphite operation in Tanzania.



Signing of the Framework Agreement, Minister of Minerals Hon. Doto Biteko (left), Her Excellency Samia Suluhu Hassan (centre), Managing Director Andrew Spinks and Director Christer Mhingo.

Key terms of the Framework Agreement include:

- A new joint venture entity Duma TanzGraphite to develop and operate Epanko, with an 84% interest held by EcoGraf and a 16% free-carried interest held by the Government.
- Shareholder loans provided to Duma TanzGraphite will not be subject to the issuance of Government loan notes, provided interest rates are on reasonable terms or the shareholder loans are interest-free.
- Existing Epanko licences, project approvals, environmental approvals, resettlement action plan and financial balances are to be transferred from the Company's wholly-owned subsidiary TanzGraphite (TZ) Limited to Duma TanzGraphite. Those transfers will not be subject to any tax.

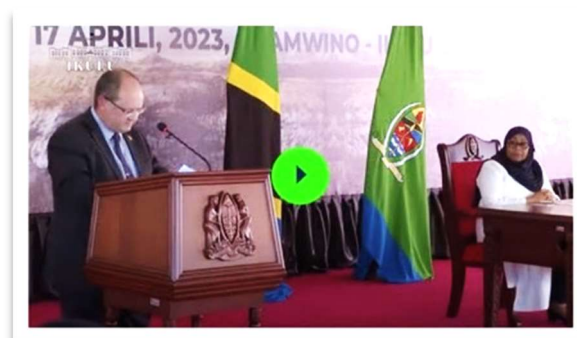


- A new Epanko life-of-mine Special Mining Licence will be issued to Duma TanzGraphite, a key requirement for project financiers.
- The Government and EcoGraf will cooperate to secure financing for the development of Epanko.
- The Government will facilitate consents and approvals for the development and operation of Epanko.
- The initial Board of Duma TanzGraphite consists of three EcoGraf appointees and two Government appointees.
- EcoGraf will appoint the Chairman and Chief Executive Officer of Duma TanzGraphite.
- Duma TanzGraphite will not be required to list on the Dar es Salaam Stock Exchange.

Finalisation of the Framework Agreement follows the recent Epanko site visit by the Special Presidential Government Negotiating Team. The signing of a Framework Agreement at the newly built State House in Dodoma was attended by President Samia Suluhu Hassan, Minister of Minerals Dotto Biteko, Regional and District Commissioners, Epanko community leaders and representatives from the German and US Embassies.

During the signing ceremony the Company delivered a speech outlining plans for the development of the Epanko Graphite Project and the opportunity for Tanzania to benefit from the positive long-term economic and social contribution that will arise from its successful development and operation.

Managing Director Andrew Spinks' speech at the signing Framework Agreement signing ceremony:



As part of finalising the Framework Agreement, a site visit was undertaken by the Special Presidential Government Negotiating Team, during which the Company presented the Epanko development and planned expansion cases to the Government.



Project Development

The Company was pleased to report the outstanding results from a pre-development program it has undertaken to build on the extensive Bankable Feasibility Study (**BFS**), completed in 2017 and which was subjected to rigorous due diligence by bank appointed Independent Engineers, SRK Consulting (UK) Limited (**SRK Consulting**).

In completing its Independent Engineer's Report, SRK confirmed that:

- all technical areas of the proposed Epanko development have been significantly advanced to conform with the requirements of international project financing standards; and

- the Environmental and Social Management Planning and supporting impact assessments conform to relevant Tanzanian legislation, International Finance Corporation (‘IFC’) Performance Standards and World Bank Group Environmental Health and Safety Guidelines.

The results of the pre-development program position the Project to be a potential world class new graphite development, commencing with Stage 1 with the intention to expand and match the rapid growth forecast for battery graphite to support the global transition to clean energy.

Summary of Stage 1

Input	Unit	2017	2023
Graphite Production	(Kt)	60,000	73,000 [#]
Operating Cost (C1-FOB)*	(US\$/t sold)	509	508
All in Sustaining Cost (AISC)**	(US\$/t sold)	572	585
Pre-Production Capital	(US\$m)	88.9	134
NPV ₁₀	(US\$m)	211	348
IRR	%	38.9	36

* Includes corporate functions ** Includes royalties, sustaining capital, and rehabilitation # First 11 years

Stage 1 Value Engineering Outcomes

As part of the pre-development program, EcoGraf completed various metallurgical evaluation studies to optimise the mine schedule and process flowsheet.

This program identified a number of value adding opportunities for the Stage 1 development:

Oxide first strategy

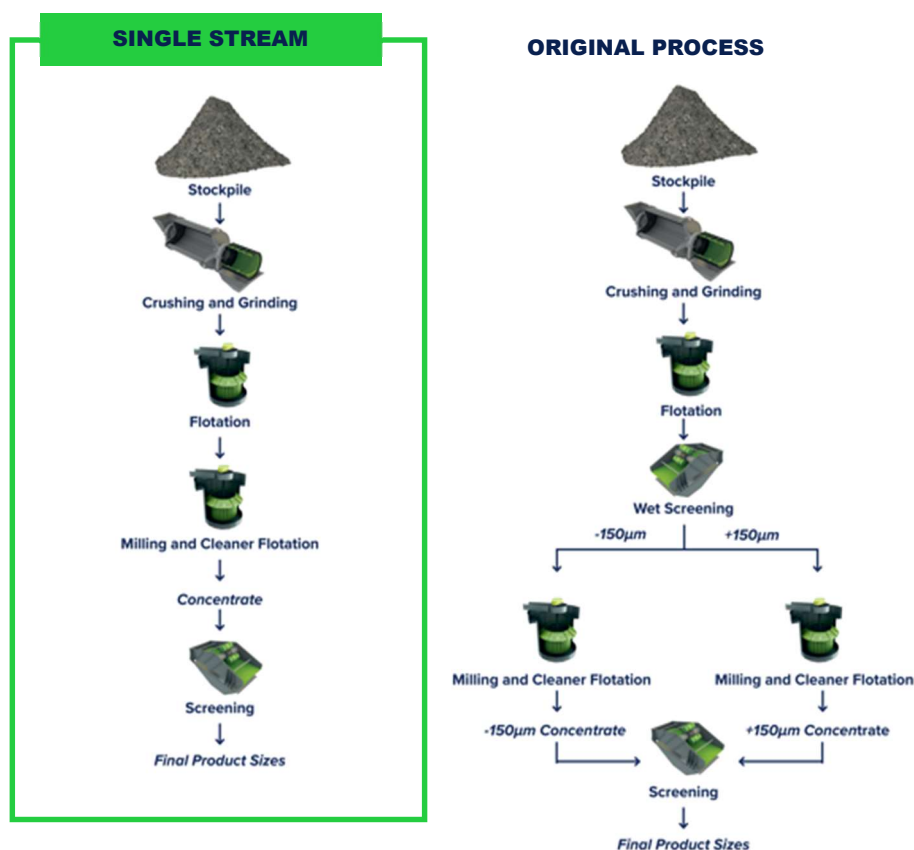
Oxide ore requires minimal drill and blasting, minimal crushing/primary milling and uses less reagents compared to Fresh ore. Prioritising the Oxide ore also defers the sulphide circuit and dedicated lined tailings cell that is proposed for processing of the Fresh ore. The Oxide first strategy will see Oxide ore treated for the first eleven (11) years of operations and will result in:

- Concentrate production at 73,000tpa once ramp up is complete. This will be achieved for very modest incremental capital expenditure of US\$4m. Following depletion of Oxide ore, operations will revert to processing of Fresh ore at a production rate of 60,000tpa from the Stage 1 plant. Subject to completion of planned drilling and resource evaluation which will target Oxide ore there is the strong opportunity to continue processing oxide ore at a 73,000tpa production rate.
- Deferral of approximately US\$6m in capital costs that have been provisionally provided for the Fresh ore sulphide flotation circuit and lined sulphide tailings pond. This expenditure is now deferred for approximately 10 years, with scope for further deferral subject to the delineating additional oxide ore.
- Lower operating costs associated with reduced drill and blast costs, reduced crushing and milling costs and reduced reagent costs. The Oxide only ore feed does not require the use of sulphide flotation reagents.



Single cleaner flotation stage

The 2017 BFS included an intermediate wet screen followed by two separate cleaner flotation circuits. Test work completed by the Company has confirmed that a single stream cleaner flotation circuit delivers similar performance to the dual stream circuit, but eliminates the need for intermediate wet screening and provides economies of scale with a larger single circuit when compared to a dual circuit.



EcoGraf has entered into a non-binding Memorandum of Understanding with Tanzania Electric Supply Company (TANESCO) for the development of transmission infrastructure for the supply of grid power to Epanko.

Under the terms of the agreement, the parties will establish a Joint Technical Committee to coordinate and manage the design and construction of a 33kV transmission line from the nearby town of Mahenge to the Project. The line will be sized to meet future demand growth associated with future expansion of Epanko.

The collaboration with TANESCO provides for Epanko to benefit from the supply of cost competitive, clean energy, with hydroelectric power comprising approximately 45% of Tanzania's energy supply and forecast to increase in the future as part of broader Government investment in hydro, solar, wind and biomass renewable energy generation. Independent Life Cycle Assessment (LCA) studies conducted for EcoGraf confirm electricity accounts for 45-55% of CO₂ emissions associated with its battery anode material products and Tanzanian grid power will deliver a significant competitive advantage as electric vehicle OEMs seek more sustainable supply chains.

On 2 March 2023 the Company announced to the ASX a 38% increase in the Epanko Mineral Resource Estimate (MRE). The MRE was carried out by CSA Global Pty Ltd ('CSA Global'), a member of the ERM Group of Companies, and has been classified in accordance with the JORC (2012) Code and is shown in the following table.

Table 1 - Mineral Resource Estimate for the Epanko Deposit >5.5% TGC

JORC Classification	Tonnage (Mt)	Grade (%TGC)	Contained Graphite (Kt)
Measured	21.5	7.7	1,650
Indicated	41.7	7.6	3,165
Measured + Indicated	63.1	7.6	4,820
Inferred	65.1	7.2	4,690
Total	128.2	7.4	9,510

Notes for Table 1: Tonnage figures contained within Table 1 have been rounded to nearest 100,000. % TGC grades are rounded to 1 decimal figure. Abbreviations used: Mt = 1,000,000 tonnes, Kt = 1,000 tonnes. Rounding errors may occur in tables.

Table 2 - Key Parameters of the February 2023 Epanko Mineral Resource

EcoGraf - Epanko Feb' 2023	
Total MRE (Mt)	128.2
MRE Grade (TGC)	7.4%
Cut-off Grade (TGC)	5.5%
CP Sign-off	CSA Global
Density Factor (t/m ³)	Oxide-1.86/Transitional-2.23/Fresh-2.8
Average Thickness (m)	200
Resource Strike Length (m)	2,150
Tonnes per Linear (m)	60,000
Undrilled Strike Length within Tenure (m)	3,400

An additional drilling programme at Epanko to further increase the size and confidence of the MRE to support the on-going planning for Epanko expansion options. The updated MRE information is being utilised by the Company's technical team to optimise future drilling to maximise the potential to expand production at Epanko to meet the forecast growth in demand for battery minerals.



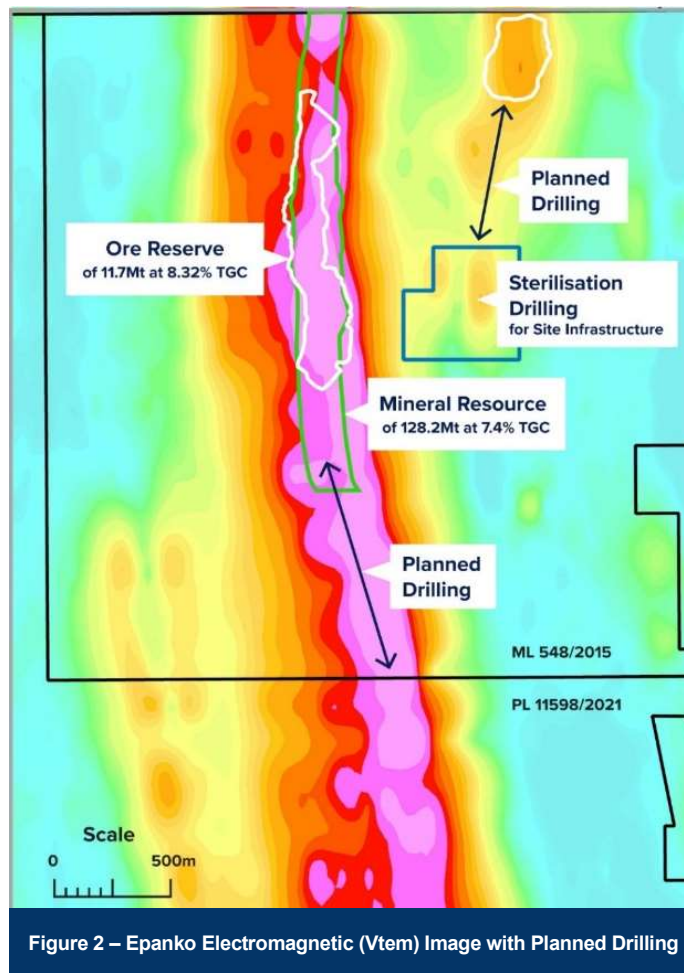


Figure 2 – Epanko Electromagnetic (Vtem) Image with Planned Drilling

As part of the expansion studies, global consultants Knight Piésold were engaged to assess the capacity for tailings storage in the Epanko valley, beyond the 10Mt capacity designed in the 2017 BFS.

This program identified multiple options to significantly increase the capacity of the existing tailings dam from 10Mt to 80Mt as production ramps-up, delivering flexibility and reduced expansion costs.

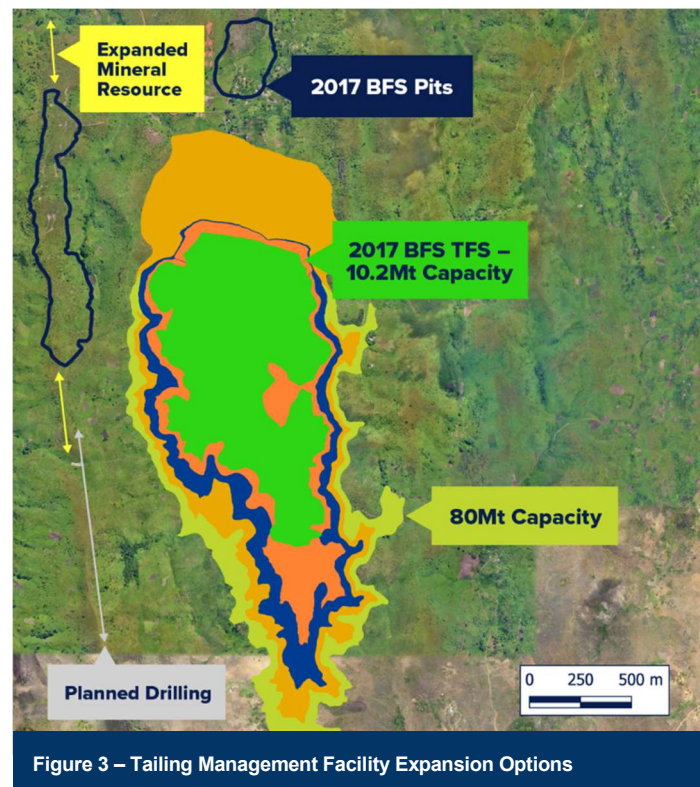


Figure 3 – Tailing Management Facility Expansion Options

Sector Leading ESG Credentials

Epanko's social and environmental planning programs were independently assessed in 2017 by KfW *IPEX-Bank* appointed SRK (UK) to comply with the Equator Principles, a globally recognised risk management framework adopted by leading financial institutions for assessing and managing social and environmental risks in new developments.

Achieving this standard and satisfying International Finance Corporation Performance Standards and World Bank Group Environmental, Health and Safety Guidelines is critical to securing international financing support for the new development and reflects EcoGraf's commitment to ensuring the highest level of Environmental, Social and Governance operating standards.

Epanko will provide inter-generational economic and social benefits for the regional community near Mahenge in Tanzania and will support Tanzania's positive industrialisation progress. Epanko is expected to operate for 40+ years and in that time is forecast to deliver direct economic benefits of over US\$3 billion to Tanzania via employment, procurement, royalties, taxes and dividends. Over 95% of the 300 permanent staff will be Tanzanian, with an estimated 4,500 indirect jobs to be supported by the Epanko operation.

During the quarter the Company was pleased to attend and support the International Women's Day pre-event in Dar Es Salaam. The event's 'Guest of Honour' was the Regional Commissioner for Morogoro Hon. Fatma Mwasa, which is the region for the Epanko Graphite Project.



The event was also attended by high-level female dignitaries, including District Commissioner for Kigamboni, Dar es Salaam, Hon. Halima Bulembo, Member of Parliament Fatma Toufig and representatives from Parliament, the Ministry of Minerals, the Mining Commission and the Japanese and US Embassies.



The event celebrated Tanzanian women's achievements, headed by President Samia Sulu Hassan.

Tanzania women are leading the charge in Africa with the head of state President Hassan recognised, at the World Economic Forum at Davos in January, as one the women leaders making the change.

During the ceremony the President of Tanzania Dr Samia Suluhu Hassan accepted the invitation to be EcoGraf's guest of honour at IWD 2024 event.

<https://www.youtube.com/live/-LKlr0kuOfQ?feature=share&t=7359>



Merelani-Arusha Graphite Project

Merelani-Arusha is located in an established graphite province within Tanzania that has a history of past production, proven flow-sheet design and established export sales. Exploration and evaluation programs have identified an initial Mineral Resource Estimate (refer ASX announcement *Merelani Upgrade Paves Way for PFS* 8 September 2015) with the estimation process completed by independent consultants CSA Global.

Discussions with the Government are continuing regarding arrangements for the potential development of Merelani-Arusha, which will provide EcoGraf with additional graphite production capacity and supply diversification within Tanzania.

UPGRADE

ECOGRAF™ BATTERY ANODE MATERIAL

The Company is developing a battery anode material business that will provide a new supply of high quality purified spherical graphite for the high growth lithium-ion battery market, using its patent-pending HFfree purification process developed in Australia and Germany.

Graphite dominates battery mineral demand by volume, with recent forecasts by PwC Strategy& in Germany that demand will rapidly grow from 200,000tpa in 2021 to almost 5,000,000tpa by 2035.

Project Development

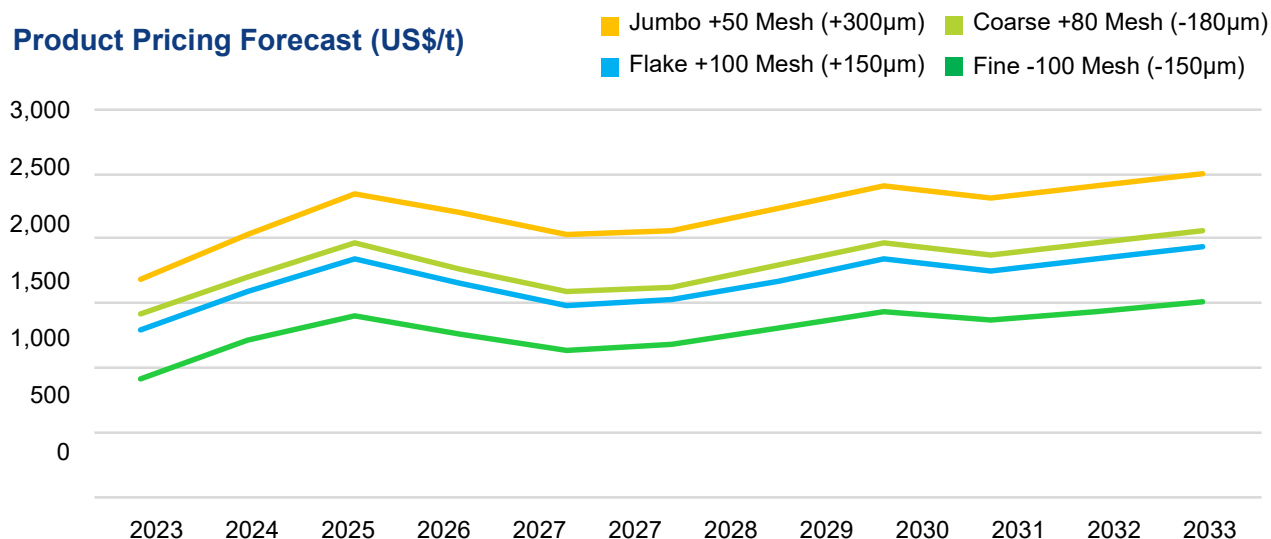
During the quarter the focus was

- Tender process finalised for EcoGraf product qualification facility, with key vendors have been selected for major equipment for scale up testing for qualification and commercial plants
- Continued flowsheet optimisation with a focus on reducing cost. The emphasis was on reducing the operating costs namely through minimising reagent consumption, maximising reagent recycling, improving energy efficiency and assessing waste stream treatment and disposal options
- Evaluating locations for Manufacturing shaping facility with site visits with Government officials in Tanzania.
- Discussions continuing with key battery market participants in Asia, North America and Europe with visits to prospective customers in Korea and Japan in support of ongoing product qualification programs.
- Commercial production facility site evaluation broadened to include benchmarking of alternative technologies to inform EGR's purification development strategy.

Lithium-ion Battery Market

EcoGraf has engaged independent experts to provide graphite price forecasts specific to the product mix and markets that will be supplied from the Epanko project. EcoGraf price forecast for its various products to 2033 is shown in the chart below.

Product Pricing Forecast (US\$/t)



Fast Markets, EcoGraf Analysis, Nominal Terms 2023

Supporting the demand outlook is recent announcements by EU Commission and US Government on new policies and legislation for the development of new supply chains, that include:

- US Treasury IRA guidance on new clean vehicle credit criteria to strengthen critical mineral supply chains¹.
- Vice President Kamala Harris' visit to Tanzania to deepen the strategic relationship with the Tanzanian Government and highlight its importance as a key emerging supplier of critical EV battery minerals².
- EU announcement of further policies to support EU supply chains³.
- Korean Government announcement of legislation requiring 50% of critical and battery minerals to be sourced outside of China⁴.
- Japan - US trade deal to strengthen Japan's battery supply chains with member countries of the Mineral Security Partnership (which includes Australia) and also to grant Japanese automakers wider access to the new \$7,500 US EV tax credit⁵.

Notes

1. <https://home.treasury.gov/news/press-releases/jy1379>
2. <https://www.miragenews.com/vp-harris-unveils-plans-to-strengthen-us-977965/>
3. <https://www.dw.com/en/eu-unveils-green-industrial-plan-to-counter-us-spending-spree/a-64582222>
4. <https://en.yna.co.kr/view/AEN20230227003300320>
5. <https://www.cnn.com/2023/03/28/us-japan-strike-trade-deal-on-electric-vehicle-battery-minerals.html>

Intellectual Property

EcoGraf's HFfree™ purification process was developed by the Company in Australia in 2017 and has since been refined through extensive testing and analysis conducted in Australia, Europe and Asia. Patents and trademarks have been lodged by EcoGraf in all key battery markets to protect the IP associated with this process and on 8 November 2021 the Company reported that the International Preliminary Examining Authority acting under the Patent Co-operation Treaty had deemed all 25 of the EcoGraf patent claims as novel and inventive.

Based on this positive examination and finding, in December 2021 the Australian Government, through IP Australia, confirmed acceptance of the Company's patent application 2021261902 "Method of producing purified graphite" and published it in the Australian Journal of Patents as part of a 3-month exposure period during which oppositions can be raised to the proposed grant of a patent. Oppositions were lodged with IP Australia by two parties, who then provided their Statement of Grounds and Particulars in June 2022 and Evidence in Support in September 2022.

After reviewing the Evidence in Support, EcoGraf filed its Evidence in Answer and the Opponents have recently filed their Evidence in Reply. A delegate of the Commissioner of Patents has been appointed to consider the matter and EcoGraf is awaiting further details in relation to the proposed hearing.



Product Development

GreenRECARB

GreenRECARB which is a by-product development program is part of the extensive product development program undertaken for the value adding of by-product fines generated from the manufacture of EcoGraf HFFree high density battery anode material products.

GreenRECARB pelletised recarburiser samples have been delivered to global electric arc and induction furnace steel manufacturers in Asia and Europe for evaluation as an environmentally clean carbon additive used in steel production.



Coating in Active Anode Material Production

In line with EcoGraf's overall development strategy to becoming an integrated Battery Anode Material manufacturer from mining to Active Anode Material production, the Company is continuing with its coating technology development program with FYI enhanced HPA coated spherical graphite.

EcoGraf is evaluating major lithium-ion battery material (anode and cathode) manufacturers in Asia and Europe to develop coating technology for production of final active anode material (AAM for Lithium-ion battery). Trial production of EcoGraf's coated spherical graphite (CSPG) is underway for battery customer evaluation in Japan and Europe.

A SpG product sample was also supplied by Ecograf for its suitability with a leading East Asian Active Anode Material manufacturer with application of their material coatings technology.

RECYCLE

ECOGRAF™ ANODE MATERIAL RECYCLING

EcoGraf is leveraging its proprietary EcoGraf HFfree™ purification process to recover and re-use anode materials, with an initial focus on production scrap from anode cell and battery manufacturing processes.

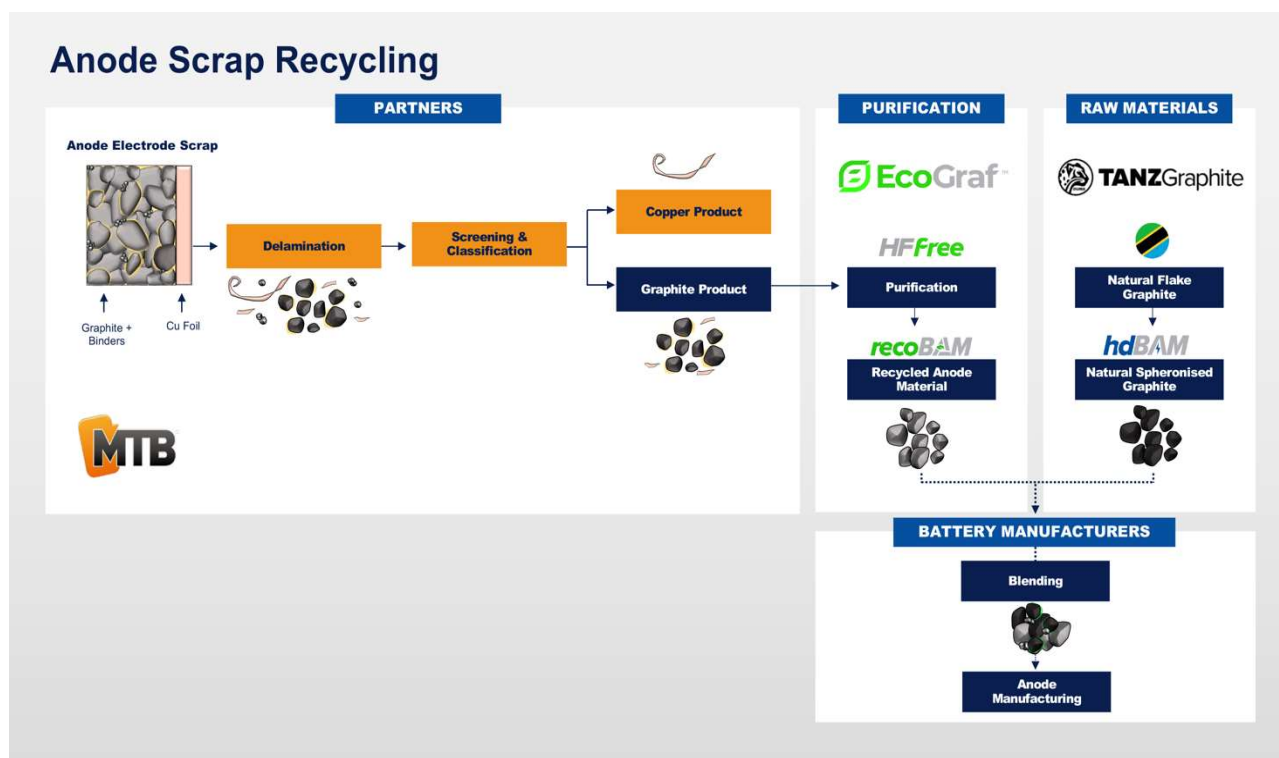
On 22 March 2023 the Company reported the results of the electrochemical testing of its EcoGraf™ HFfree purification of a lithium-ion anode cell production scrap sample provided by SungEel Hitech Co. Ltd (SungEel) (KOSDAQ: 365340)

The results, which were based on EcoGraf HFfree™ recovered graphite at 99.98%C in a 2032-coin cell, matches that of newly manufactured natural anode graphite, with a reversible capacity of 361.1 mAh/g achieved at the 3rd cycle. SungEel is one of the largest lithium-ion battery recycling groups in Asia and is listed on the KOSDAQ exchange. It has recently announced a partnership with SK Innovation and the expansion of plants in the US and Europe (refer www.sungeelht.com).



EcoGraf is supporting SungEel to include a tailored EcoGraf HFfree anode recycling process in its recycling plants to complement SungEel's ecofriendly processes and provide a total recycling solution for lithium-ion batteries.

Process and product development continued during the quarter in assessing a universal process flowsheet for the treatment of recycled anode scrap utilising EcoGraf's HFfree™ Purification process via a pre-treatment step involving binder reagent removal, degglomeration and classification to separate graphite from other valuable material. This pre-treatment step has been confirmed by laboratory scale test to enhance the purification of the recycled graphite.



CORPORATE

Personnel Appointments

Additional project development personnel were appointed during the quarter:



Jurgen Gnoinski has been appointed to the position of Manager – Battery Anode Material Development and has more than 20 years' industry experience in the development and operation of metallurgical processes across multiple commodities. He developed extensive experience in front end study management (Concept, Pre-Feasibility and Feasibility Study Management experience). Most recently he has been involved in the commercialisation of the DNi Process™, a novel nickel extraction process. He started his career with Anglo American plc where he held a variety of process engineering and management roles including Head of Technology Development and Governance in Johannesburg (South Africa).

Further appointments were made in Africa as part of the ramp up to support the pre-development activities for Epanko, including the appointment of the following roles:

- Manager Communities and Environment
- Specialist Project Controls
- Specialist Procurement and Commercial

Innogy Limited

On 15 March 2023 EcoGraf announced lodgement of a prospectus with the ASX in relation to the demerger and separate listing of Innogy Limited (Innogy). Under the prospectus, Innogy is undertaking an offer of 25,000,000 shares to raise a minimum of \$5 million, with the capacity to accept up to a maximum of 40,000,000 shares to raise a total of \$8 million at an offer price of \$0.20 per share (IPO). This delivers a compelling enterprise value of A\$4.9 million and market capitalisation of A\$9.3 million upon listing (assuming minimum subscription). With no seed or vendor shares issued by Innogy, the IPO presents an attractive, tightly held share structure going forward, with EcoGraf remaining as a major shareholder with 34-44% of shares Innogy, post-listing.

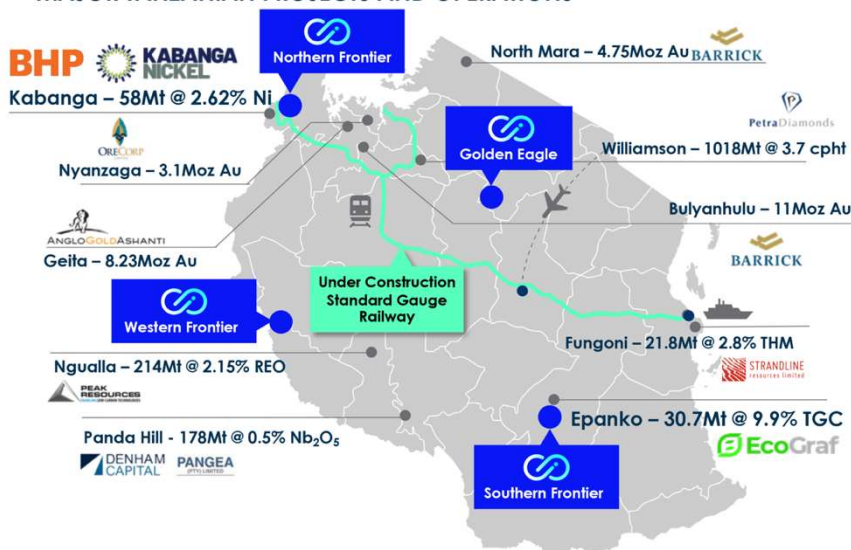
Innogy plans to explore for key battery cathode minerals, with a focus on nickel, utilising EcoGraf's extensive historical data base and experience and knowledge of Tanzania. Over the last 12 months Innogy has established itself as the largest nickel exploration tenement holder in Tanzania with approximately 5,300 km² of ground (comprising 2,300 km² of granted tenure and 3,000 km² of pending tenure) prospective for nickel sulphide mineralisation, along with lithium, cobalt and gold.

Set in the same geological setting as the world class Kabanga Nickel Sulphide and Manono Lithium projects, Innogy's ground is highly prospective for a repetition of these deposits.

Tanzania is highly prospective for nickel mineralisation, along with lithium and cobalt, and at the same time is significantly underexplored relative to other nickel and lithium provinces around the world. This coincides with a very strong demand and price outlook for nickel along with lithium as a critical battery mineral for the rapidly expanding electric vehicle industry.



MAJOR TANZANIAN PROJECTS AND OPERATIONS



As a result of the rapidly improving Tanzanian environment coinciding with the end of the school holiday period, EcoGraf's Board has resolved to extend the Innogy IPO General Offer timetable for an additional three weeks, closing Thursday, 18 May 2023. The improving Tanzanian environment was highlighted during the US Vice President's visit to Tanzania in March, where she confirmed her countries support for Tanzania's first multi-metals refinery at Kahama, which will commence processing nickel sulphide ore from BHP's Kabanga project, which is just along strike from Innogy's Northern Frontier project, in 2026. During her speech she also confirmed that the US would support



the search for additional nickel deposits in the region, to further supply Kahama. The updated timetable is provided below:

INDICATIVE TIMETABLE ¹	DATE
Lodgement of Prospectus with ASIC	15 March 2023
Priority Offer Record Date	22 March 2023
Priority Offer Opening Date	23 March 2023
Priority Offer Closing Date	13 April 2023
General Offer Opening Date	13 April 2023
General Offer Closing Date	18 May 2023
Issue of Shares under the Offer	8 June 2023
Despatch of holding statements	13 June 2023
Expected date for Official Quotation of Shares on ASX	15 June 2023

Note

1. The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Dates or close the Offer early without prior notice.

View Prospectus: <https://innogylimited.com.au/ipo/#download>

Apply Now: <https://events.miraql.com/innogy-ipo/country-validation/>

Important Note

*This announcement is not intended to be an offer for subscription, invitation, recommendation or sale with respect to any shares in any jurisdiction. The proposed offering of shares by Innogy which is referred to in this announcement is made under the prospectus which was lodged by Innogy with the Australian Securities and Investments Commission on 15 March 2023 (**Prospectus**). A copy of the Prospectus is available on Innogy's website at www.innogylimited.com.au. You may obtain a hard copy of the Prospectus free of charge by contacting the Innogy Offer Information Line on +61 1800 129 386 between 8:30 am to 5:30 pm (AEST), Monday to Friday or by emailing Innogy at info@innogylimited.com.au. All offers of shares under the Offer referred to in this announcement will be made in, or accompanied by, the Prospectus. Investors should consider the Prospectus in deciding whether to acquire shares and any person who wishes to apply for shares must complete the application form that will be in or will accompany the Prospectus.*

Cash

Cash and deposits at bank at the end of the quarter were \$39.5 million and details of cash flows during the quarter are set out in the attached Appendix 5B.

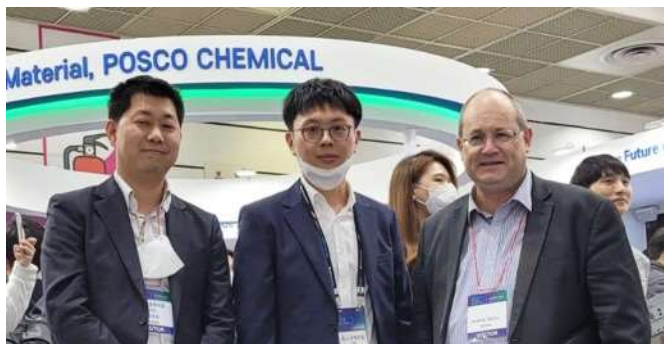
Payments made to related parties during the quarter in item 6 of Appendix 5B were for directors' remuneration. Details of directors' remuneration and fees are provided in the Remuneration Report of the Company's Annual Report.

Share Capital

There were 450,333,459 shares on issue and 13,871,075 unlisted incentive performance rights at the end of the quarter.



Investor Relations



EcoGraf attended the Korean InterBattery Conference in Seoul, promoting Tanzania's emerging position as a major global supplier of superior quality graphite and to discuss the Company's ongoing collaboration with key partners and battery market participants.



EcoGraf also met with SungEel Hi-Tech at the InterBattery Conference (KOSDAQ: 365340) a global leader in lithium-ion battery recycling and is pleased to be working with SungEel on anode recycling.



EcoGraf met with the Ambassador of Tanzania to Japan and Australia in Perth, WA. Shown: Ambassador Baraka H. Luvanda with Howard Rae, Andrew Spinks and Greyson J. Ishengoma.



EcoGraf's Senior Geologist David Drabble and the Epanko technical team at the Site visit Epanko



During the Framework Agreement President Dr Samia Suluhu Hassan acknowledged EcoGraf and accepted the 'Guest of Honour' invitation to 2024 Pre-International Women's Day Event



EcoGraf features on The Market Herald for officially signing a Framework Agreement with the Government of Tanzania for the development and operation of its Epanko Graphite Mine



EcoGraf features on Reuters for framework agreement signed with the Tanzania government on 17th April 2023. Photo Professor Kabudi, Chairman of the Special Presidential Negotiating Team



Meeting with the Investment Director, EPZA at the Kwala industrial site



Mineral Tenements at Quarter End

Licence	Area (km ²)	Ownership interest	Acquired/disposed during the quarter	Location
ML 548/2015	9.62	100%	No change	Mahenge, Tanzania
PL 7907/2012	26.42	0%	Conversion in progress	Arusha, Tanzania
PL 9331/2013	2.76	100%	No change	Mahenge, Tanzania
PL 10092/2014	23.23	100%	No change	Arusha, Tanzania
PL 10388/2014	2.57	100%	No change	Mahenge, Tanzania
PL 10390/2014	2.81	100%	No change	Mahenge, Tanzania
PL 10872/2016	2.60	100%	No change	Arusha, Tanzania
PL 11081/2017	2.08	100%	No change	Arusha, Tanzania
PL 11082/2017	20.77	100%	No change	Arusha, Tanzania
PL 11143/2017	2.62	100%	No change	Arusha, Tanzania
PL 11196/2018	46.72	100%	No change	Arusha, Tanzania
PL 11386/2019	6.73	100%	No change	Arusha, Tanzania
PL 11598/2021	23.45	100%	No change	Mahenge, Tanzania
PL 17823/2021	4.50	100%	No change	Mahenge, Tanzania
PL 17824/2021	35.31	100%	No change	Mahenge, Tanzania
PL 11600/2021	2.49	100%	No change	Mahenge, Tanzania
PL 11667/2021	299.90	100%	No change	Kagera, Tanzania
PL 11668/2021	229.48	100%	No change	Kagera, Tanzania
PL 11837/2022	297.36	100%	No change	Kagera, Tanzania
PL 11838/2022	298.40	100%	No change	Ulanga, Tanzania
PL 11839/2022	299.63	100%	No change	Ulanga, Tanzania
PL 11840/2022	288.87	100%	No change	Ulanga, Tanzania
PL 11841/2022	298.26	100%	No change	Kagera, Tanzania
PL 11915/2022	299.63	100%	No change	Kagera, Tanzania

For further information, please contact:

INVESTORS

Andrew Spinks
Managing Director
T: +61 8 6424 9002



EXTRACT UPGRADE RECYCLE

Forward looking statements

Various statements in this announcement constitute statements relating to intentions, future acts and events. Such statements are generally classified as “forward looking statements” and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. The Company gives no assurances that the anticipated results, performance or achievements expressed or implied in these forward-looking statements will be achieved.

Production targets and financial information

Information in relation to the feasibility study conducted on the production of battery graphite using the Company’s EcoGraf technology, including production targets and forecast financial information derived from the production targets, included in this announcement is extracted from an ASX announcement dated 5 December 2017 “Battery Graphite Pilot Plant”, as updated on 17 April 2019 “EcoGraf Delivers Downstream Development”, 5 November 2020 “Completion of EcoGraf™ Processing Facility Development Report” and 14 July 2021 “Commercial Scale Program Delivers 20% Product Yield Increase”, available at www.ecograf.com.au and www.asx.com.au. The Company confirms that all material assumptions underpinning the production targets and forecast financial information derived from the production targets set out in the announcement released on 5 December 2017, as updated on 17 April 2019, 5 November 2020 and 14 July 2021 continue to apply and have not materially changed.

Information in this announcement relating to the Bankable Feasibility Study conducted on the Epanko Graphite Project, including production targets and forecast financial information derived from the production targets, included in this announcement is extracted from an ASX announcement dated 21 June 2017 “Updated Bankable Feasibility Study” available at www.ecograf.com.au and www.asx.com.au. The Company confirms that all material assumptions underpinning the production targets and forecast financial information derived from the production targets set out in the announcement released on 21 June 2017 continue to apply and have not materially changed.

The production targets referred in the announcement dated 28th April 2023 are based on 45% Measured Resources, 38% Indicated Resources and 17% Inferred Resources for the 18 year life of mine. The Measured Resources, Indicated Resources and Inferred Resources underpinning the production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code). The Company has used Inferred Mineral Resources as part of the production target. There is a low level of confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The economic feasibility of the Project has been assessed excluding the Inferred material, confirming the use of Inferred mineralisation is not a determining factor in the viability of the Project.

Mineral resources

Information in this announcement relating to Mineral Resources at the Merelani-Arusha Graphite Project has been previously reported by the Company in accordance with the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (**JORC Code**) (refer to the ASX announcement dated 8 September 2015 “Merelani Upgrade Paves Way for PFS”), available at www.ecograf.com.au and www.asx.com.au. The Company confirms that it is not aware of any new information as at the date of this announcement that materially affects the information included in the Company’s previous announcement and that all material assumptions and technical parameters underpinning the estimates in the Company’s previous announcement continue to apply and have not materially changed.

Information in this announcement relating to Mineral Resources at the Epanko Graphite Project has been previously reported by the Company in accordance with the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (**JORC Code**) (refer to the ASX announcement dated 31 March 2017 “Epanko Mineral Resource Upgrade”), available at www.ecograf.com.au and www.asx.com.au. The Company confirms that it is not aware of any new information as at the date of this announcement that materially affects the information included in the Company’s previous announcement and that all material assumptions and technical parameters underpinning the estimates in the Company’s previous announcement continue to apply and have not materially changed.

Information in this announcement relating to Ore Reserves at the Epanko Graphite Project has been previously reported by the Company in accordance with the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (**JORC Code**) (refer to the ASX announcement dated 21 June 2017 “Updated Bankable Feasibility Study”), available at www.ecograf.com.au and www.asx.com.au. The Company confirms that it is not aware of any new information as at the date of this announcement that materially affects the information included in the Company’s previous announcement and that all material assumptions and technical parameters underpinning the estimates in the Company’s previous announcement continue to apply and have not materially changed.

Mineral resources - Competent Person Statement

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Company’s ASX announcement “38% Increase in the Epanko Mineral Resource” on 2 March 2023, and, that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

EcoGraf Limited

ABN

15 117 330 757

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(286)	(460)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(207)	(699)
	(e) administration and corporate costs	(404)	(1,481)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	241	331
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	1,039	1,039
1.8	Other (product marketing, financing and project development)	(1,938)	(6,237)
1.9	Net cash from / (used in) operating activities	(1,555)	(7,507)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(9)	(9)
	(d) exploration & evaluation	(31)	(146)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(40)	(155)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of share plan loans)	302	453
3.10	Net cash from / (used in) financing activities	302	453

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	40,812	46,728 ¹
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,555)	(7,507)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(40)	(155)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	302	453

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	39,519	39,519

Note 1: Per audited financial report for year ended 30 June 2022.

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	4,519	5,812
5.2 Call deposits	35,000	35,000
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	39,519	40,812

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	136
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,555)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(31)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,586)
8.4	Cash and cash equivalents at quarter end (item 4.6)	39,519
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	39,519
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	25
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<div style="border: 1px solid black; height: 30px; margin-top: 5px;"></div>	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<div style="border: 1px solid black; height: 30px; margin-top: 5px;"></div>	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<div style="border: 1px solid black; height: 30px; margin-top: 5px;"></div>	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by: the board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.