

QUARTERLY ACTIVITIES REPORT

ECOGRAF™ BATTERY ANODE MATERIAL OUTPERFORMS BENCHMARKS IN PRODUCT QUALIFICATION BATTERY TESTING

EcoGraf Limited (“EcoGraf” or “the Company”) (ASX: EGR) is pleased to release its activities and cash flow reports for the three months ended 30 September 2021.

HIGHLIGHTS

• EcoGraf™ Battery Anode Material Business

- + Results of GR Engineering pre-construction testworks incorporated in studies to prepare submissions for Government Development and Works Approvals
- + Successful completion of product qualification program with EcoGraf™ HF_{free} battery anode material satisfying key physical and chemical specifications criteria and outperforming reference material from existing producers during half-cell electrochemical testing
- + Major product development program commenced, initially focussing on premium battery anode material, sustainably produced recarburizers, cathode enhancer material and anode coatings
- + Letter of support received from Export Finance Australia for expansion loan facility of up to US\$35m
- + MoU executed with FYI Resources to develop High Purity Alumina doped coatings to enhance anode material performance
- + Zero waste operating strategy focussed on recycling process water, clean energy, eliminating emissions and value-adding bi-products
- + Land reservation agreement signed for an industrial site at Skellefteå in Sweden as a potential location for a future European EcoGraf™ Battery Anode Material Facility

• EcoGraf™ Lithium-ion Battery Recycling Business

- + GR Engineering delivers Engineering Scoping Study for A\$5.8m modular recycling pilot plant

• EcoGraf™ Natural Flake Graphite Business

- + Financial advisors appointed to manage due diligence processes with Tanzanian Government and private sector financial institutions in relation to the Epanko debt financing structure developed in conjunction with KfW IPEX-Bank
- + Sponsorship and participation in Government trade expo Ulanga Iherapa (“Amazing Ulanga”) to promote investment in the Ulanga region of Tanzania

• Corporate

- + Cash at bank at end of quarter of \$51.4 million



BUSINESS SUMMARY

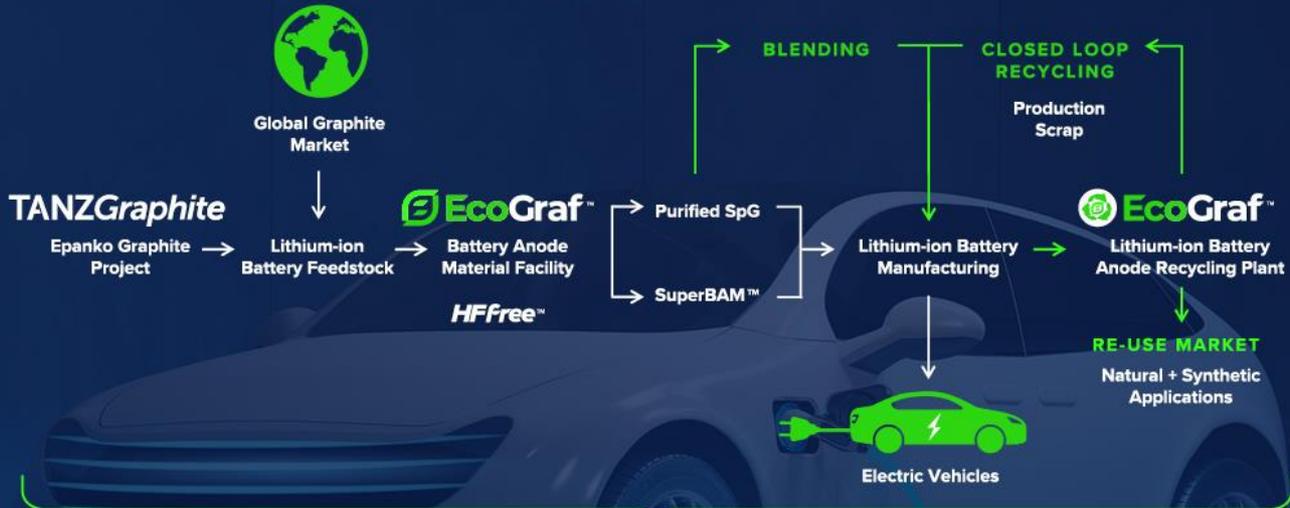
EcoGraf is building a diversified battery anode material business to produce high purity graphite products for the lithium-ion battery and advanced manufacturing markets. Over US\$30 million has been invested to date to create two highly attractive, development ready graphite businesses.

The first new state-of-the-art **EcoGraf** processing facility in Western Australia will manufacture spherical graphite products for export to Asia, Europe and North America using a superior, environmentally responsible HF-free purification technology to provide customers with sustainably produced high performance battery anode material. Subsequently, the battery graphite production base will be expanded to include additional processing facilities in Europe and North America to support the global transition to clean, renewable energy in the coming decade and the rapid growth in battery materials.

In addition, the Company's breakthrough recovery of carbon anode material from recycled batteries using its EcoGraf™ process will enable the recycling industry to reduce battery waste and use recycled carbon anode material to improve battery lifecycle efficiency.

To complement these battery graphite operations, the Company is also advancing the **TanzGraphite** natural flake graphite business, with development of the Epanko Graphite Project, which will supply additional feedstock for the battery anode material facilities and provide customers with a long term supply of high quality graphite products for industrial applications such as refractories, recarburisers and lubricants.

ECOGRAF'S VERTICALLY INTEGRATED PRODUCT FLOW



PRODUCT DEVELOPMENT

Value enhancement of bi-product fines. Supporting the transition to clean energy and advanced manufacturing.

NATURAL GRAPHITE

Scalable mining projects for long-term supply of natural graphite products. Epanko Stage 1 - 60,000t.

BATTERY ANODE MATERIAL

Battery anode material processing facilities. 1st Plant: Australia, 2nd Plant: Europe, Others: Asia/US/India.

DOWNSTREAM INNOVATION OPPORTUNITIES

Enhanced Coatings.

LITHIUM-ION BATTERY RECYCLING

Recovery of carbon anode material from lithium-ion batteries. Pilot plant scalable to demonstration plant.



QUARTERLY ACTIVITY UPDATE

ECOGRAF™ BATTERY ANODE MATERIAL BUSINESS

The Company's first EcoGraf™ Battery Anode Material Facility will be located in the Kwinana-Rockingham Strategic Industrial Zone near the capital city of Perth in Western Australia and will be the first of its kind to be constructed outside of China, providing a new supply of sustainably produced, high quality and cost competitive purified spherical graphite for the lithium-ion battery market.

This new state-of-the-art development has received endorsement from both Federal and State Governments through the award of Major Project Status (refer ASX announcement *Major Project Status Approved by Australian Government* 5 March 2021) and Lead Agency status from the Western Australian Government.

EcoGraf is actively working with the Australian Critical Minerals Facilitation Office, the Major Projects Facilitation Agency, Austrade, Export Finance Australia and the Western Australian Department of Jobs, Tourism, Science and Innovation to develop the new facility and support Australia's future in the global lithium-ion battery industry.

Australian Facility Development Funding

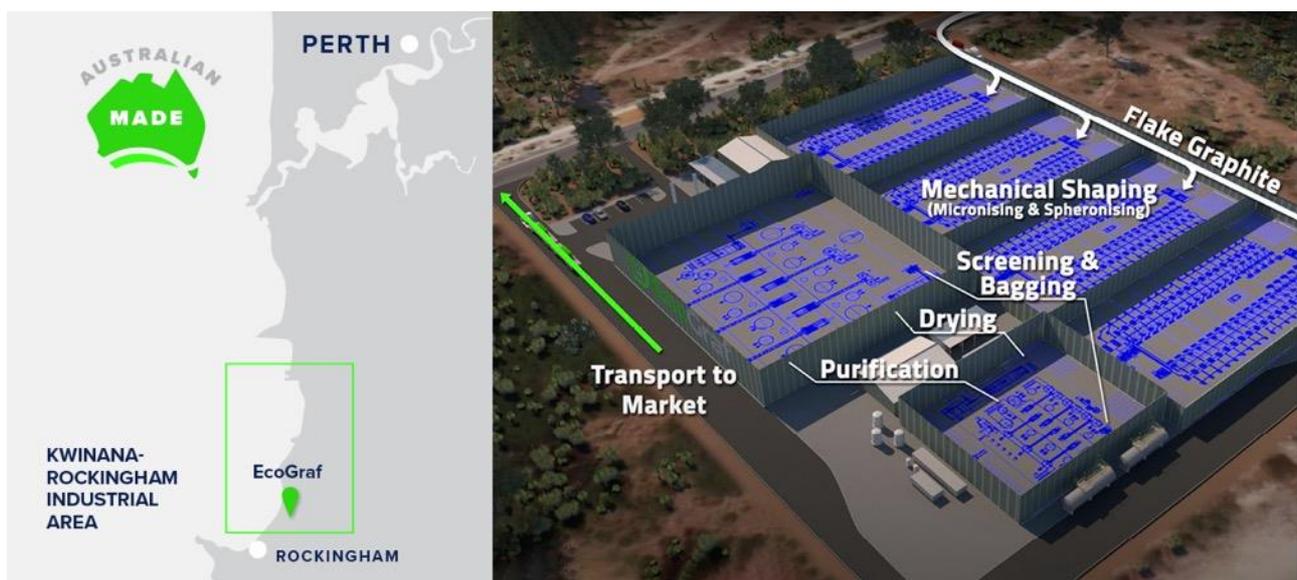
Australian Government export credit agency Export Finance Australia has issued EcoGraf with a non-binding letter of support in relation to a US\$35 million debt financing facility (refer ASX Announcement *Funding for Expansion of Battery Anode Material Facility* 29 July 2021).

As a result, EcoGraf has appointed financial advisors and has been working with Export Finance Australia to progress the approval process for the proposed loan.

The Company plans to fund the initial phase of the development using its cash reserves from the successful A\$54.6 million institutional placement completed in February 2021, with the expansion phase to be financed through a combination of debt and equity.

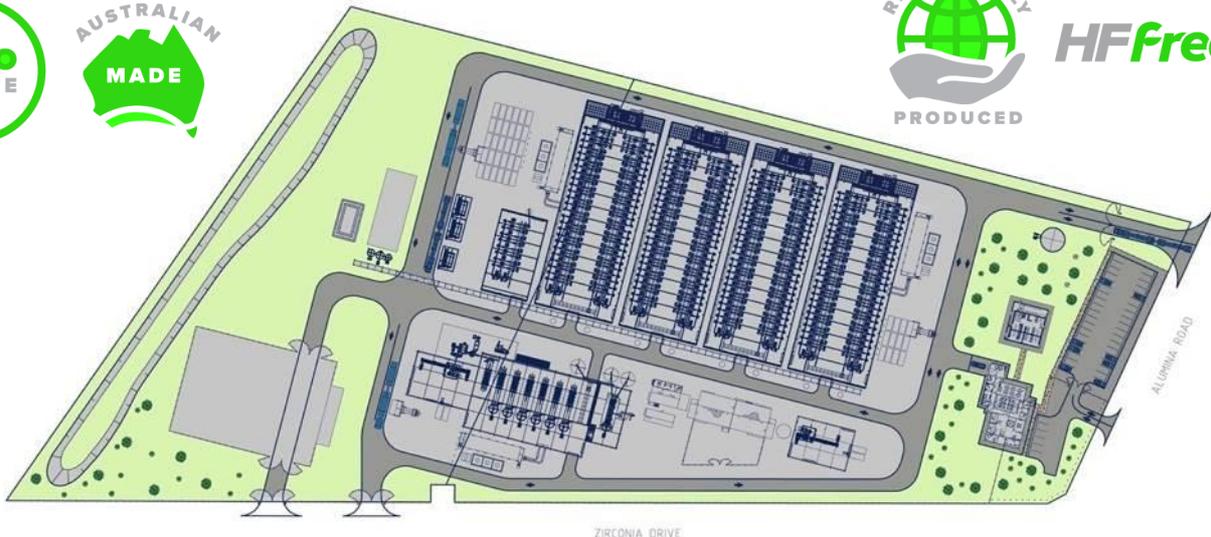
Development Program

EcoGraf's pre-construction technical program has been focussed on generating data for detailed engineering design and final equipment selection. GR Engineering has managed the two core works under this program, a commercial scale mechanical shaping test and a pilot scale purification evaluation.



The mechanical shaping program is being conducted offshore in collaboration with a leading equipment manufacturer using Epanko flake graphite benchmarked against a range of other feedstocks. It has demonstrated a significant improvement in expected product yields (refer ASX announcement *Commercial Scale Program Delivers 20% Product Yield Increase* 14 July 2021) by producing a combination of:

- + 15-16µm battery anode material (SpG 16);
- + ultrafine SuperBAM (battery anode material) products for high performance battery applications requiring improved energy density characteristics, with a typical price premium of 20-25% over SpG 16; and
- + fines bi-products for industrial and alkaline battery applications.



Results from the mechanical shaping program have been incorporated into the selection of equipment specifications, mill layout at the facility and the production control systems.

The pilot scale purification evaluation is being conducted with one of Australia’s foremost mineral processing organisations and has continued through the quarter under the Federal Government’s essential worker authorisation. Following initial locked-cycle testing that produced better than expected carbon purities of 99.97% (refer ASX announcement *Pre-Construction Locked-Cycle Testwork Completed* 27 May 2021), the pilot plant testing has concentrated on evaluating kiln, dryer and filtration performance during the EcoGraf™ production process.

Results from these core GR Engineering works programs have been incorporated into updated plans for the processing plant configuration at the Kwinana-Rockingham site and for operational activities during the initial and expansion phases. A number of independent consultants, including GHD Group, SLR Consulting, Terrestrial EcoSystems and Hunt Architects, have been appointed to complete planning studies to support submissions for key Government approvals for construction and operations;

- + the Works Approval from the Western Australian Department of Water and Environmental Regulation; and
- + the Development Approval from the City of Rockingham.



Programs conducted by the consultants include environmental planning (emissions, materials handling, noise levels, ground water management, traffic management, waste-water treatment, flora and fauna management), together with health and safety (site access, layout and fire management), building design, site infrastructure and offsite services.

These studies are expected to be completed in December and enable submission of the Works and Development Approval proposals to Government. The EcoGraf™ site is located in a well established strategic industrial area and the Government review and approval process typically takes approximately 3 months.

In conjunction with the permitting and approvals process, EcoGraf has been in discussion with the Government and several major operators in the Kwinana-Rockingham area to evaluate opportunities for the supply of clean, renewable energy to the operation, co-funding a regional product innovation centre and undertaking further downstream processing to produce value-added anode and cathode material products for the lithium battery and green steel markets.

There have recently been a number of significant developments in the Kwinana-Rockingham area relating to clean energy and battery mineral processing, including:

- + bp conducting a feasibility study in relation to the production of green hydrogen at its proposed Kwinana clean energy hub;
- + Woodside proposing to develop the H2Perth hydrogen facility; and
- + Wesfarmers and global mining company Sociedad Quimica y Minera de Chile S.A. (SQM) approving construction of the Covalent Lithium refinery.



Zero Waste Operating Strategy

Increasing the sustainability content to complement the Company's existing strong ESG credentials has been an important focus and EcoGraf has adopted a zero-waste operating strategy for its new Battery Anode Material Facility. This involves recycling process water, use of clean energy, eliminating all gaseous emissions and value-adding bi-products from the mechanical shaping process.

Water will be sourced from a nearby wastewater facility, which will be treated on-site to produce high quality demineralised water for the purification process, with up to 75% of water then recycled for re-use in the operation, lowering production costs. A gypsum rich waste bi-product is produced during the water treatment process that is suitable for use as a soil enhancer.

Renewable energy options are being evaluated to maximise the clean energy content for the new facility to support sustainability objectives under the Paris Agreement. The energy mix is expected to include both solar and waste to energy sources (two facilities are under construction in the area), with the potential for green hydrogen energy to also be produced within the region in the future.

Adoption of Life Cycle Assessment (LCA) methodologies for the electric vehicle industry is increasingly important to ensure raw material supply chains satisfy sustainability standards. LCA studies consider all environmentally significant processes throughout the life cycle of vehicles, including raw material extraction and recycling using end-of-life treatments. EcoGraf has developed mining and processing LCA models to support its product qualification programs.



Product Development and Sales

The Company successfully completed a product qualification program for a major anode producer during which EcoGraf™ HFfree battery anode material outperformed reference material from existing producers in battery testing. The extensive program was undertaken by the prospective customer to assess the performance of HFfree product that will be produced by EcoGraf at its new Battery Anode Material Facility in Western Australia.

Preparation of the product sample involved completion of a mechanical shaping program using commercial scale equipment in conjunction with a leading international equipment manufacturer, followed by HFfree purification through a pilot plant in Australia.

The EcoGraf product satisfied the anode producer's physical and chemical specifications and outperformed against reference materials in half-cell electrochemical testing. The results are an important milestone and further confirmation of the effectiveness of the Company's environmentally superior EcoGraf™ processing technology to provide anode, battery and electric vehicle manufacturers with high quality, sustainably produced battery anode material.

An extensive product development program is being undertaken by the Company to evaluate the future production of value-added lithium-ion battery and industrial graphite products from the new EcoGraf™ Battery Anode Material Facility, including the premium 10µm battery anode material, sustainably produced recarburizers for the steel sector and a cathode enhancer for use in alkaline battery cells.

superBAM	greenRECARB	ecoCEM	hpFINEs
<ul style="list-style-type: none">Enhanced performanceHigher charge discharge capacity	<ul style="list-style-type: none">Carbon additive to Cast/Grey Cast Steel & EAF Steel manufacturing	<ul style="list-style-type: none">AA, AAA, 8V alkaline battery, NMC CEM material	<ul style="list-style-type: none">Good lubricity materialExcellent conductivity & heat resistantThermal insulation application
			
END USE: HYBRID CARS/ POWER TOOLS & 3C APPLICATION	END USE: CAST & GREY CAST STEEL FOUNDRY/EAF FURNACE	END USE: AA, AAA, LI-ION CEM CATHODE & CAN COATING	END USE: GREASE/ LUBRICANTS IN HEAVY MACHINERY, LUBRICANT /MOULD RELEASE IN FOUNDRY & DIE-CASTING

As part of its focus on high quality, sustainably manufactured graphite products, the Company has commenced an investigation of coatings processes, which could provide a significant downstream processing opportunity for the new EcoGraf™ Battery Anode Material Facility.

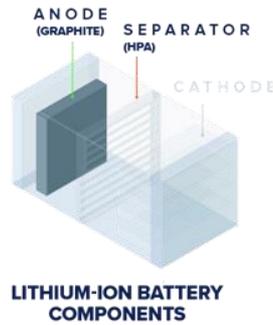
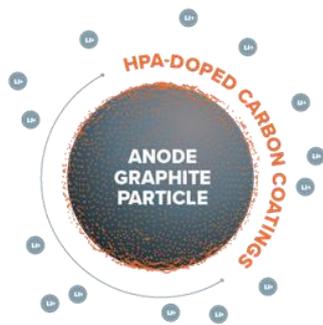
A non-binding Memorandum of Understanding has been signed with FYI Resources Limited to develop enhanced High Purity Alumina (HPA) doped carbon coatings material for the lithium-ion battery market, with the initial programs to include:

- + optimising the formulation and use of HPA as a coating precursor for battery anode material and battery separators;
- + the process for applying HPA as a coating precursor to EcoGraf™ products; and
- + electrochemical testing of EcoGraf™ products coated with HPA additives.

Independent research has demonstrated that HPA-doped carbon coatings enhance battery anode performance by minimising first cycle losses during battery charging by improving the protective layering of the anode.

Lithium-ion battery anodes are composed of synthetic graphite, natural graphite, carbon black and silicon. HPA can be applied as a nano thickness coating on the separator sheets within a lithium-ion battery, improving its ability to withstand high rates of discharge and delivering better durability and safety.





The anode and separator are the major raw materials in the lithium-ion battery.

European Battery Anode Material Facility

The Company has signed a land reservation agreement for an industrial site at Skellefteå in Sweden as a potential location for a future European EcoGraf™ Battery Anode Material facility.

EcoGraf has been investigating potential sites in a number of European locations, including in Germany and has decided to advance this process in Sweden. The reservation agreement has been entered into with the Skellefteå municipality for a 65,000m² site in Skellefteå Site East, which is one of Skellefteå's main industrial areas and is located within the Västerbotten region. This region benefits from an abundant supply of clean, renewable energy, with the lowest industrial power costs in Europe, an educated and skilled labour force and a nearby port for ready access to key battery and industrial markets across Europe.

After completing a preliminary evaluation to select the site, EcoGraf will proceed to undertake a more detailed assessment of a potential new development in Skellefteå over the next 12 months. The industrial site is of sufficient size to include future expansions to accommodate increased production, further downstream value adding and recycling.

Skellefteå has a long tradition of industrial development and is a leader in promoting innovation, entrepreneurship and sustainability, with the largest private sector in northern Sweden.



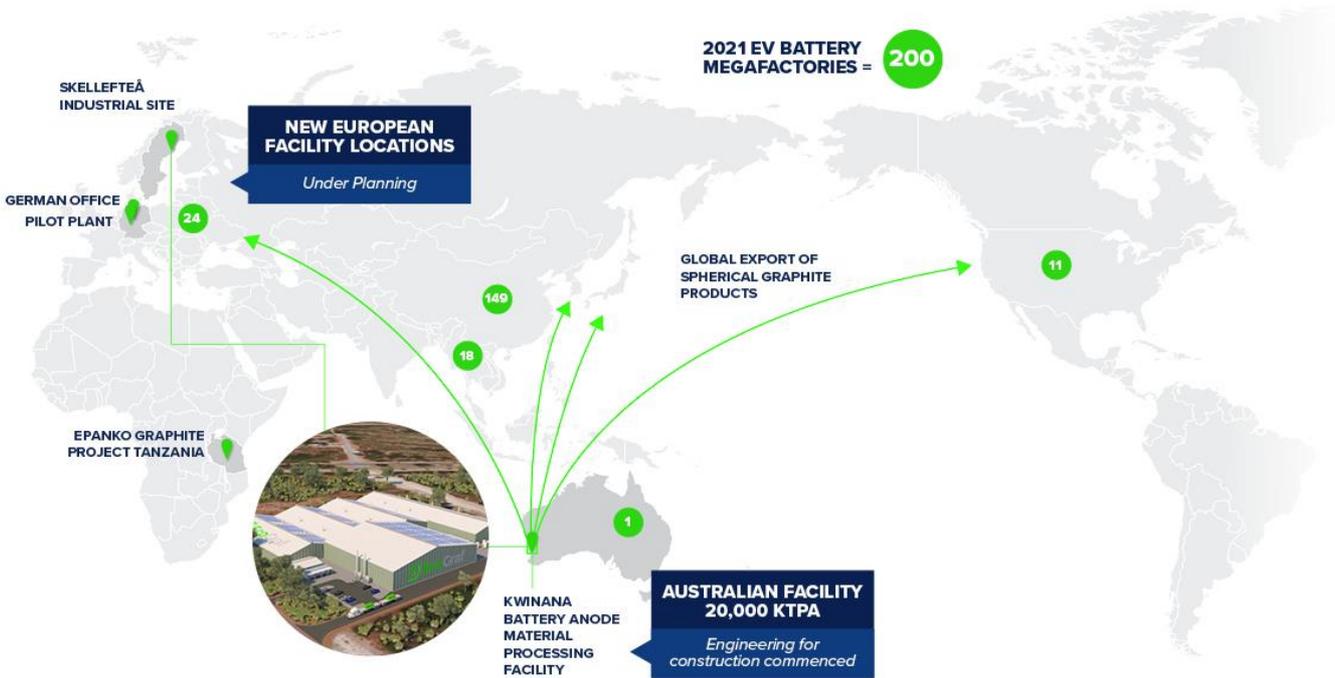
The environmental credentials of the unique EcoGraf™ HFfree purification process strongly aligns with the future clean energy demand in Europe and the recent EU legislative policy changes that require higher standards of environmental and social governance in battery supply chains.

There is currently unprecedented investment across Europe to establish regionalised electric vehicle and battery supply chain hubs and EcoGraf's growth strategy involves operating facilities in these hubs to provide tailored solutions for battery and electric vehicle manufacturers. This is expected to result in the development of a European Battery Anode Material Facility by 2025 and a total production of 40,000 tonnes a year of high quality, battery anode material products.

The Company continues to investigate other locations in Europe, including Germany and is working closely with Germany's economic development agency, German Trade and Invest on potential site locations.



It is envisaged that development work on a European site will commence following successful completion of the new Australian facility, using the same site engineering design and forming part of EcoGraf's planned global battery anode material processing capability.



ECOGRAF™ LITHIUM-ION BATTERY RECYCLING BUSINESS

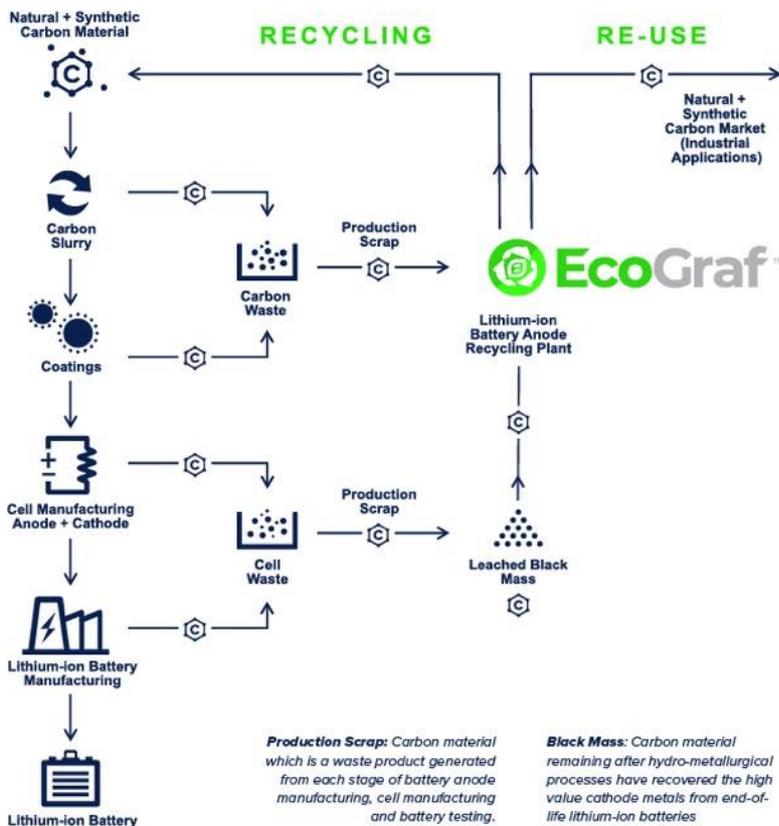
EcoGraf's recycling activities are part of the Company's diversified graphite business to provide a sustainably produced, high quality and cost competitive battery anode material through the initial EcoGraf™ Battery Anode Material Facility planned in Western Australia and the development of its long-life and low cost Epanko Graphite Project in Tanzania.

The Company plans to recover and re-use carbon anode materials from two feedstock material streams:

- + Production scrap from anode cell and battery manufacturing processes; and
- + Residual carbon material that remains after metals have been extracted through hydrometallurgical processing of end-of-life batteries.

An overview of the lithium-ion battery recycling process is shown below.

RECYCLING STRATEGY FOR RECOVERED ANODE MATERIAL



BATTERY RECYCLING OPPORTUNITY

MARKET OVERVIEW



Recycling efforts have focused on cathode metals



Carbon anode materials are currently not recovered

BENEFITS AND OPPORTUNITY



Reducing battery production costs



Lowering the EV carbon footprint

Modular Recycling Pilot Plant

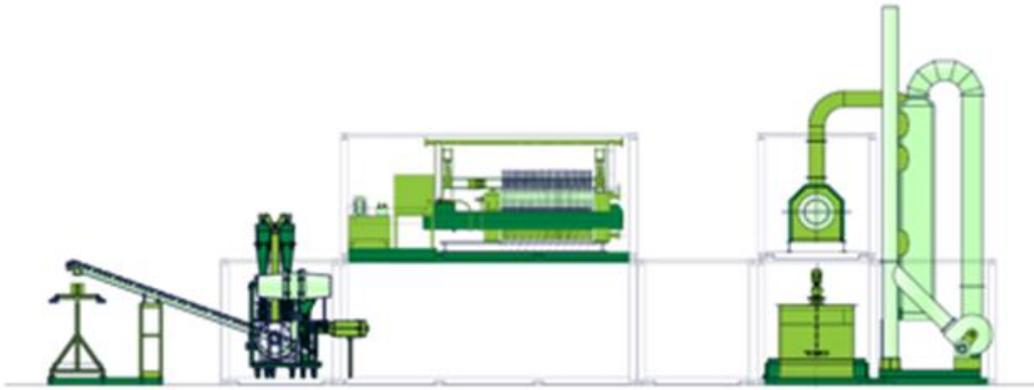
GR Engineering has completed the Engineering Scoping Study for a modular recycling pilot plant to optimise the process to recover carbon anode materials. The concept design utilises the recent locked-cycle testwork to optimise plant and equipment sizing and the flowsheet provides flexibility to accommodate different feedstocks depending on the location of the operation.

Key features of the pilot plant include the following:

- + Standalone operation with throughput rates based on a single shift, 5-day operating week;
- + Flexible screening and materials handling treatments for different feedstocks;
- + EU compliant emissions controls; and
- + Technical office and laboratory.



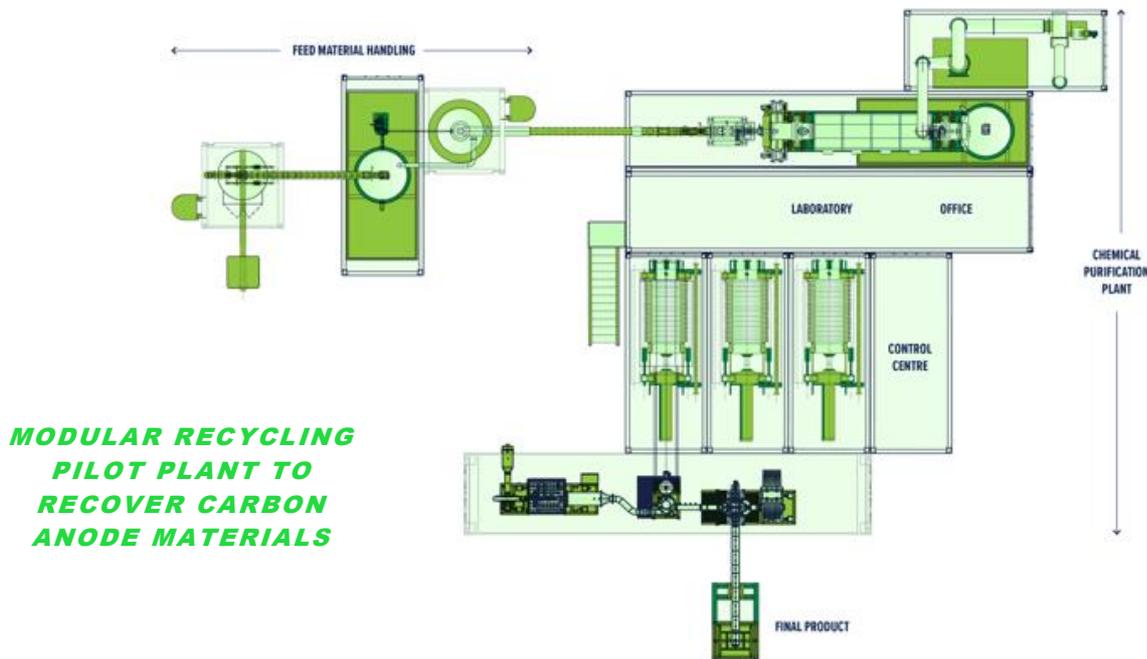
The recycling pilot plant elevation is shown below.



GR Engineering estimates the cost to construct the pilot plant is A\$5.8 million +/-30%.

The process to recover carbon anode material from production waste and black mass materials follows the EcoGraf™ HFfree purification process that was developed to produce battery anode material from natural flake graphite. This is a unique, staged process where impurities are removed through the creation of new chemical compounds that are soluble in either water or chemical reagents.

All steps in the process are completed in a manner that preserves the important physical properties of the graphite spheres, such as low specific surface area, high tap density and narrow particle size distribution. The layout of the recycling pilot plant is as follows:



The recycling pilot plant is initially planned to focus on recovering carbon anode material from the production scrap and carbon slurry that are generated during the manufacture of lithium-ion batteries.

Product development activities will target opportunities to recycle this material within the battery supply chain and also to re-use it in high value industrial applications. EcoGraf has identified a number of high value industrial market applications for the high purity natural and synthetic anode material recovered through the EcoGraf™ recycling process.



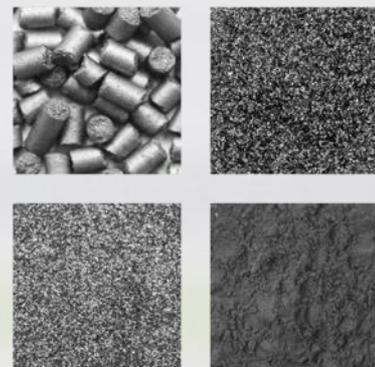
INDUSTRIAL MARKET OPPORTUNITIES FOR RECOVERED CARBON ANODE MATERIAL			NATURAL	SYNTHETIC
	Lithium-ion batteries	♻️ RECYCLING	✓	✓
	Alkaline and zinc carbon batteries	↪️ RE-USE	✓	✓
	Friction materials	↪️ RE-USE	✓	–
	Refractories	↪️ RE-USE	✓	–
	Carbon additives	↪️ RE-USE	–	✓

The opportunity also exists to blend EcoGraf™ battery anode material from its new Australian facility with the recycled anode material to provide battery and anode manufacturers with a sustainably produced and cost-effective blended graphite anode product.

ECOGRAF™ NATURAL FLAKE GRAPHITE BUSINESS

The Company's natural flake graphite business is focussed on development of the long-life, high quality Epanko Graphite Project (Epanko) in Tanzania. Extensive work has been undertaken at Epanko to establish a development-ready new graphite mine, including:

- + Completion of a Bankable Feasibility Study (BFS) that demonstrates a highly attractive development opportunity with a forecast investment of US\$89 million and a robust business case, generating annual EBITDA of US\$44.5 million;
- + Government grant of mining licence and environmental approvals;
- + Comprehensive Independent Engineer's Review by SRK Consulting on behalf of lenders, confirming technical aspects of the proposed development and that the Equator Principles social and environmental planning regime satisfies International Finance Corporation Performance Standards and World Bank Group Environmental, Health and Safety Guidelines;
- + Flake graphite sales for key markets in Europe and Asia;
- + Target cost EPC arrangements for construction of Epanko with GR Engineering; and
- + Debt financing program with international banks and Tanzanian financial institutions.



NATURAL FLAKE GRAPHITE BUSINESS: LONG-LIFE, HIGH QUALITY EPANKO GRAPHITE PROJECT

Development Funding

An Epanko debt financing structure has been developed in conjunction with KfW IPEX-Bank that satisfies Tanzania's new mineral sector legal framework. It's been presented to Government and private sector financing institutions in Tanzania, who've responded positively and indicated interest in supporting the new mine development.

Following encouraging feedback from these parties, EcoGraf has appointed financial advisors to coordinate loan discussions and manage due diligence processes. Preparation of lender materials is well advanced and includes a detailed financial evaluation using the base case financial model, project information, regulatory arrangements and preparation of the virtual data room.

Epanko Enhancement Studies

A number of enhancement activities are continuing, including the definition of low cost 'fresh rock' graphite to deliver a high purity 98-99%C graphite battery anode feedstock without additional processing and the evaluation of low-impact, continuous mining methods, both of which will also add to Epanko's strong ESG credentials.

Regional Development

Epanko is forecast to provide inter-generational economic and social benefits for the regional community near Mahenge in Tanzania and will support Tanzania's positive industrialisation progress, with an expected contribution of US\$3+ billion to the Tanzanian economy over the 40-50 years of operation in the form of employment, procurement, royalties, taxes and dividends.

Epanko's international financing support is underpinned by sector leading environmental and social planning, in full compliance of 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.

The Company has supported a major regional investment promotion event, Ulanga Iherapa ("Amazing Ulanga"), which aims to encourage new investment in business opportunities in the Ulanga region of Tanzania. As part of its on-going commitment to community development, EcoGraf sponsored and participated in this important event, which was attended by the Minister for Minerals, Hon. Doto Biteko and District Commissioner, Ms Ngollo Malenya.



CORPORATE

Investor Relations



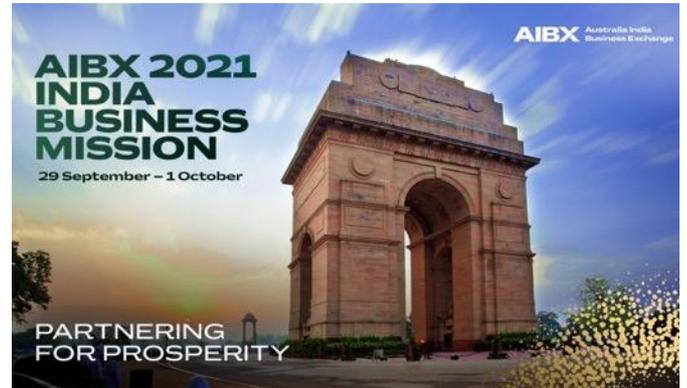
EcoGraf participated virtually at the Batteries Event 2021 hosted in Lyon France.



EcoGraf joined the Mining & Resources panel as a sponsor for the Germany-Australia Growth Summit 2021



EcoGraf presented at the NWR Resources Series: Mining's best microcaps to midcaps

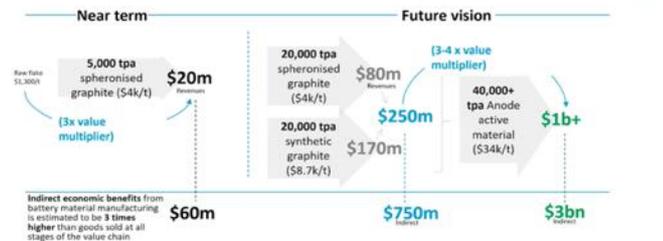


EcoGraf presented a webinar at Austrade's Australia-India Business Exchanger: Fuelling Low carbon Economies



Andrew Spinks discusses the latest EcoGraf business and market update on Stockhead's video conference series V-Con: #EV Revolution – the major investing thematic of the 2020s

ROM economic impact of WA anode manufacturing is large



EcoGraf features & the future value + vision based on magnitude valuation of the downstream opportunity in a webinar by Dr Jerad Ford, CSIRO Mission Lead, Critical Energy Metals.



Andrew Spinks speak with Pablo Miller and Chris Le Messurie from Mining HQ on Triple M, Episode Thirty Seven.



Andrew Spinks joined the ASX Investor channel to discuss EcoGraf's Global Vertically Integrated Graphite Anode Business



Cash

Cash at bank was \$51.4 million at the end of the quarter 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 executive (2) and non-executive (2) directors' remuneration. Details of directors' remuneration and fees are provided in the Remuneration Report of the Company's Annual Report.

Share Capital

During the quarter, the Company issued 100,000 new shares following the exercise of employee incentive performance rights.

There were 449,933,459 shares on issue and 7,850,000 unlisted incentive performance rights at the end of the quarter.

OTCQX Trading

The Company has filed with The Depository Trust and Clearing Corporation ("DTC") for DTC eligibility. It is anticipated that this process will complete shortly.

Many investment funds do not trade stocks that are not DTC compliant and DTC eligibility allows for both electronic and broker-initiated trading on OTCQX and OTCQB, which enables faster settlement and reduces trading costs.

The Company believes DTC eligibility will enhance the tradability of its shares on the OTCQX market.

Annual General Meeting

The Company's Annual General Meeting will be held at 10am (AWST) on Friday, 26 November 2021 at the Celtic Club, 48 Ord Street, West Perth, Western Australia.

MINERAL TENEMENTS AT QUARTER END

Licence	Area (km ²)	Ownership interest	Acquired/di- posed 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%	Formerly PL 10752	Mahenge, Tanzania
PL 17823/2021	4.50	100%	Formerly PL 10972	Mahenge, Tanzania
PL 17824/2021	35.31	100%	Formerly PL 9306	Mahenge, Tanzania
PL 11600/2021	2.49	100%	Granted	Mahenge, Tanzania
PL 11667/2021	299.90	100%	Application	Kagera, Tanzania
PL 11668/2021	229.48	100%	Application	Kagera, Tanzania



This report is authorised for release by the Board.

For further information, please contact:

INVESTORS

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T: +61 8 6424 9002



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” and 5 November 2020 “Completion of EcoGraf™ Processing Facility Development Report”, 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 and 5 November 2020 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.

Competent persons

Any information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Spinks, who is a Member of the Australasian Institute of Mining and Metallurgy included in a list promulgated by the ASX from time to time. Andrew Spinks is a director of EcoGraf Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Andrew Spinks consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Information in this announcement that relates to Mineral Resources is based on information compiled by Mr David Williams, a Competent Person, who is a Member of the Australasian Institute of Mining and Metallurgy. David Williams is employed by CSA Global Pty Ltd, an independent consulting company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. David Williams consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Information in this announcement that relates to Ore Reserves has been compiled by Mr Steve O'Grady, who is a Member of the Australasian Institute of Mining and Metallurgy. Steve O'Grady is a full-time employee of Intermine Engineering and produced the Mining Reserve estimate based on data and geological information supplied by Mr Williams. Mr O'Grady has sufficient experience which is relevant to the estimation, assessment, evaluation and economic extraction of the Ore Reserve that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves”. Steve O'Grady consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.



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")

30 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(13)	(13)
(b) development	-	-
(c) production	-	-
(d) staff costs	(122)	(122)
(e) administration and corporate costs	(244)	(244)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (product marketing, financing and project development)	(833)	(833)
1.9 Net cash from / (used in) operating activities	(1,212)	(1,212)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(41)	(41)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(41)	(41)

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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	52,633	52,633
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,212)	(1,212)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(41)	(41)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	51,380	51,380

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	1,380	2,633
5.2 Call deposits	50,000	50,000
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)	51,380	52,633¹

¹ Per audited annual financial statements.

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	212
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)	(1,212)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(41)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,253)
8.4 Cash and cash equivalents at quarter end (item 4.6)	51,380
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	51,380
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	41
<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?	
Answer:	
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?	
Answer:	
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?	
Answer:	
<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: 29 October 2021

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.