

For personal use only



SYRAH RESOURCES

The future of graphite

Q2 2017 - Quarterly Activities Report

July / August 2017

Shaun Verner – Managing Director & CEO

Disclaimer

This presentation is for information purposes only. Neither this presentation nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. This presentation may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction. This presentation does not constitute financial product advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this presentation are not intended to represent recommendations of particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

Certain statements contained in this presentation, including information as to the future financial or operating performance of Syrah Resources Limited (Syrah Resources) and its projects, are forward-looking statements. Such forward-looking statements: are necessarily based upon a number of estimates and assumptions that, whilst considered reasonable by Syrah Resources, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and may include, among other things, Statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, ore reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. Syrah Resources disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and other similar expressions identify forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Syrah Resources has prepared this presentation based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in the presentation. To the maximum extent permitted by law, Syrah Resources, its related bodies corporate (as that term is defined in the *Corporations Act 2001 (Cth)*) and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the Presentation Materials or its contents or otherwise arising in connection with it.

We continue to progress towards becoming the world's pre-eminent supplier of natural graphite

For personal use only

Syrah Resources Quarterly Highlights

| Topic | Balama Project | Finance & Corporate | Marketing | Downstream Strategy |
|--------|--|---|---|--|
| Update | <p>Construction is over 90% complete.</p> <p>Delayed first production from late August to October due to processing plant completion and commissioning.</p> <p>First year of production planned to be 140kt to 160kt. No change to previous guidance.</p> <p>Mining Agreement presented to Secretariat of the Council of Ministers for approval.</p> | <p>Cash balance at end of quarter of US\$101 M.</p> <p>Progress made with working capital facility - multiple options considered.</p> <p>Facility to provide flexibility to progress, and if desired accelerate, downstream strategy.</p> | <p>Enhanced agreement with Marubeni from 3 years to 5 years and volumes increased from 20ktpa to 30ktpa.</p> <p>Confirmed agreement with Hiller Carbon from minimum 10ktpa to maximum 50ktpa.</p> <p>Confirmed 5-year sales agreement with MINERALS GmbH (COFERMIN group) for 12ktpa to 25ktpa for 5 years.</p> <p>Logistics and sea freight arrangements progressed.</p> | <p>Option identified to increase QP volume and advance revenue.</p> <p>Development & Services Agreement signed with Cadenza Innovation.</p> <p>Team continues build led by our COO for BAM, Paul Jahn.</p> <p>Engineering contract awarded. Long lead item procurement started.</p> <p>Qualification plant site located. Lease to be finalised once permits awarded.</p> |

Source: Syrah Resources



SYRAH RESOURCES

Construction completion >90% and we remain on track to produce 140ktpa to 160ktpa in year one

For personal use only

Balama Graphite Project Update

| Topic | Balama Graphite Project | Delay to production commencement from late August to October |
|--------|--|--|
| Update | <p>Construction is over 90% complete.</p> <p>Commissioning activities commenced.</p> <p>Labour, training and community development agreements in place.</p> <p>Operations teams are being mobilised and trained.</p> <p>All key mining, infrastructure, services and laboratory equipment in place. Run of Mine (ROM) pad stocked for commissioning, water pipeline under construction.</p> <p>Laboratory scale concentrate production onsite utilising ROM material showing results >95% TGC</p> <p>Distribution and logistics services contract mobilisation underway; port and sea freight arrangements progressed</p> | <p>Delay driven by two issues:</p> <p>1. Process plant completion Slower than planned completion of some structural steel erection, piping installation and electrical work.</p> <p>Causes Productivity, piping shortage and fabrication re-work.</p> <p>Remedial Action Additional hours and resourcing, equipment on site.</p> <p>2. Process plant commissioning sequence</p> <p>Causes Reduced power availability due to a truck accident; combined with concurrent sectional completion.</p> <p>Remedial Action Replacement items have arrived and are installed; additional resources allocated to commissioning.</p> |

Source: Syrah Resources

Our downstream strategy has progressed and we have signed a development agreement with Cadenza

Battery Anode Material Strategy Update

| Topic | Battery Anode Material (BAM) Strategy | Technology Agreement with Cadenza Innovation Inc |
|---------|--|--|
| Purpose | Enter the battery anode material (BAM) market by producing our own BAM in Louisiana, USA. | Testing and product development; intellectual property development related to BAM. |
| Update | <p>Ongoing engagement with potential customers and technology / commercial assessment has identified optimisation opportunity for qualification plant.</p> <ul style="list-style-type: none"> - Potential earlier commercialisation of the plant leading to earlier revenues in H2 2018. - Potential capacity of qualification plant to be increased from 2,000tpa to over 10,000tpa. - Capital cost update in September. BFS for commercial plant early H1 2018. <p>Qualification plant engineering, permitting, long lead item procurement and site lease in progress</p> | <p>Testing and product development for advanced Battery Anode Materials</p> <p>Joint Syrah / Cadenza team</p> <p>Knowledge exchange, deep technical partner and customer engagement, and support for the US BAM Plant development</p> <p>Product testing and benchmarking</p> <p>Development of BAM products to maximise value-in-use of Syrah natural graphite in the battery value chain</p> |

Source: Syrah Resources

The mining Agreement has reached the final stage and our working capital facility has progressed

For personal use only

Corporate Update




| Topic | Mining Agreement | Funding |
|---------|---|---|
| Purpose | <p>Mining Agreement collates all positions agreed and developed with individual Ministries. All permits already in place to mine, process or export graphite.</p> | <p>Working capital facility to ensure Syrah can operate under a range of commencement scenarios.</p> |
| Update | <p>Mines Department, Technical Committee and all relevant Ministries have endorsed final terms.</p> <p>No material changes have been made.</p> <p>The Agreement has been presented to Secretariat of the Council of Ministers for approval.</p> <p>We continue to regularly and proactively engage the relevant people to finalise the Agreement.</p> | <p>Intent is to ensure the best financing option is selected.</p> <p>We continue to provide potential financiers with graphite market and Mozambique details and are working through multiple options.</p> <p>We have concurrently commenced work on considering BAM funding options, ensuring that the working capital facility allows flexibility to execute and/or accelerate the downstream strategy.</p> |

Source: Syrah Resources

We have enhanced our existing relationship with Marubeni and finalised two further sales agreements

For personal use only

Marketing Update

| Customer | Marubeni | Hiller Carbon | MINERALS GmbH |
|----------|--|--|---|
| Progress | Expanded Agreement | Converted SSI into Agreement | Converted SSI into Agreement |
| Details | <p>Extended the agreement from 3 years to 5 years.</p> <p>Increased flake volumes from 20ktpa to 25kt in years 1 & 2 and 30kt in years 3 to 5.</p> <p>This is in addition to the spherical agreement already in place.</p> | <p>Volume is a minimum of 10kt and a maximum of 50kt for 3 years.</p> <p>This includes flake sales from Balama and by-product from BAM.</p> <p>Excludes the battery market and is only for industrial markets.</p> | <p>5 year sales agreement for 12kt in first year and up to 25kt in later years.</p> <p>Agency and Principal agreement For EU and some parts of Middle East.</p> |
| Sector | Battery and Industrial | Industrial | Industrial |
| Region |  |  |  |

Our commercial progress continues to inform our ramp up profile and we are on track to produce and sell **140kt to 160kt** in the first 12 months of production.

Summary

For personal use only

Syrah remains on track to produce 140ktpa to 160ktpa in the first year of production.

Minor delay to construction and full commissioning but we will soon develop into the world's largest, low cost, high quality producer of natural graphite.

Progress slower than desired on corporate funding and mining agreement during the quarter, but no impact on Balama commencement and sales. Expect both to be finalised soon.

Significant commercial progress in the last quarter with anchor customers in place for Europe, Asia and North America. Battery sector demand continues to expand.

Downstream strategy has progressed with key personnel in place, engineering and permitting underway, equipment ordered and technology agreement executed. Options to accelerate and expand identified.

Syrah Resources remains the only major new supplier of graphite to world's battery market.

For personal use only



SYRAH RESOURCES

The future of graphite

Supporting Information

July / August 2017

Disclaimer

This presentation is for information purposes only. Neither this presentation nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. This presentation may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction. This presentation does not constitute financial product advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this presentation are not intended to represent recommendations of particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

Certain statements contained in this presentation, including information as to the future financial or operating performance of Syrah Resources Limited (Syrah Resources) and its projects, are forward-looking statements. Such forward-looking statements: are necessarily based upon a number of estimates and assumptions that, whilst considered reasonable by Syrah Resources, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and may include, among other things, Statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, ore reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. Syrah Resources disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and other similar expressions identify forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Syrah Resources has prepared this presentation based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in the presentation. To the maximum extent permitted by law, Syrah Resources, its related bodies corporate (as that term is defined in the *Corporations Act 2001 (Cth)*) and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the Presentation Materials or its contents or otherwise arising in connection with it.

For personal use only

Corporate & Balama Project

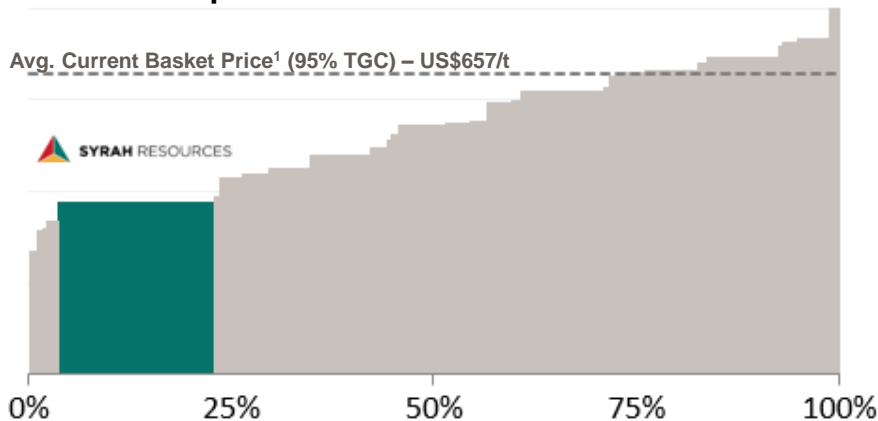
Syrah Resources – The Future of Graphite

- ❑ The only major, fully funded, natural graphite development project in construction globally
- ❑ Will be the largest natural graphite producer globally, product mix oriented to battery market growth
- ❑ A world class, tier-1 asset by any measure (cost, scale, life)
- ❑ Significant grade advantage, up to four times higher grade than current and potential supply
- ❑ Lowest quartile producer on the cost curve and 40% market share in 2020
- ❑ Ramp-up plan driven by incremental demand and displacement existing suppliers
- ❑ Commercially engaged with major customers across all sectors and geographies
- ❑ Battery Anode Material strategy progressing with funding and capacity expansion plans assessed

Syrah will be a first quartile producer both during ramp up and at full capacity

For personal use only

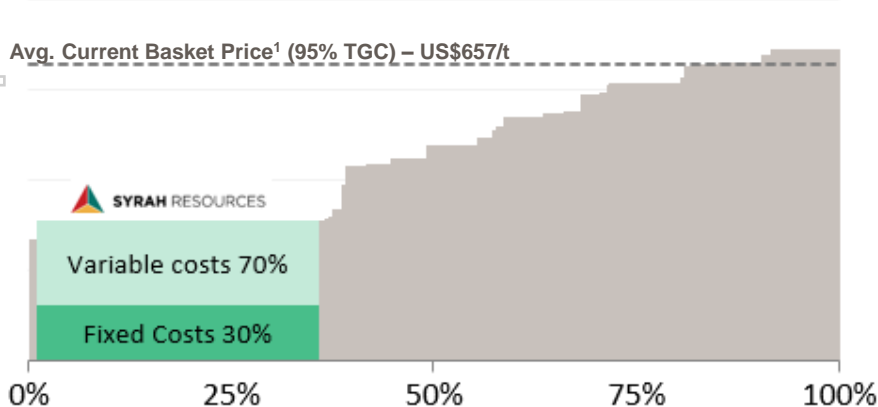
Flake Graphite Producer Cost Curve: 2017/2018



Production ramp up volumes of flake graphite concentrate:

- Year 1: 140kt to 160kt of production.
- Year 2: Production volumes during ramp-up will be optimised to meet global demand. At this point Syrah expect global demand to support between 250kt and 300kt of production in year 2.
- C1 cash cost target of <US\$400 per tonne from year 1
- Progression to targeted C1 cash cost of US\$300 per tonne as plant ramps up to nameplate production of 350ktpa.

Flake Graphite Producer Cost Curve: 2020



| Product | Proportion of SYR Production |
|--|------------------------------|
| - 100 Fines | 68% |
| +100 Medium | 12% |
| +80 Large | 12% |
| +50 Jumbo | 8% |
| Current basket price (before premiums) | 100% |

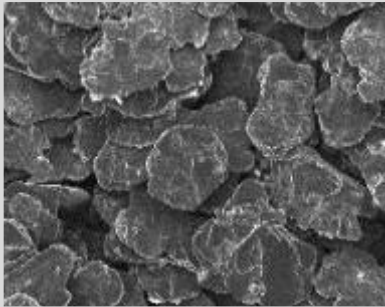
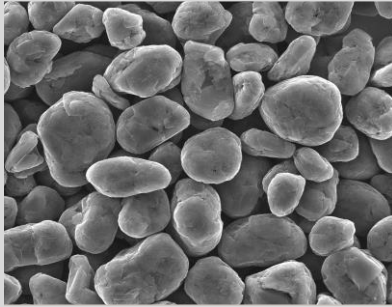
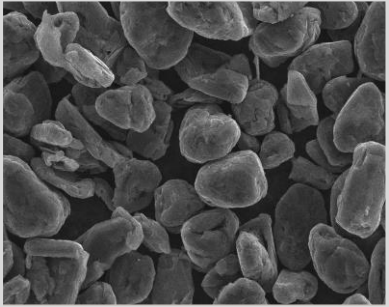
Source: Syrah Resources

Notes: Cost curves include current operating graphite mines that accounted for ~95% of global production in 2016. Cost curve is not adjusted for variations in TGC

1: Benchmark Minerals Intelligence data (CIF Europe). Prices for flake graphite 95% Total Graphitic Carbon (TGC%).

Across the graphite value chain, a consistent, high quality supplier can capture attractive margins

For personal use only

| | Flake Graphite | Uncoated Spherical | Coated Spherical |
|----------------------|---|--|---|
| Products |  |  |  |
| Cost | US\$300/t | US\$2,300/t ⁽¹⁾ | US\$3,200/t ⁽²⁾ |
| Current Price | US\$600/t - US\$1,200/t ⁽³⁾ | US\$2,800/t - US\$4,000/t ⁽⁴⁾ | US\$7,000/t - US\$10,000/t ⁽¹⁾ |
| | Mozambique | Louisiana | |

(1) Based on Syrah's market inquiries

(2) Syrah internal economic assessment – refer to ASX announcement dated 18th June 2015 for coated figures

(3) Based on Benchmark Minerals 2017 price data

(4) Based on Benchmark Minerals 2017 price data for 15µm (D50) spherical graphite product

Low risk and low cost mining drives a significant competitive advantage

- ❑ Conventional truck and shovel mining methods
- ❑ Mining 2 Mtpa at a very low average strip ratio of 0.04:1 projected over the life of mine
 - Low grade ore (> 2% to < 9% TGC) will be stockpiled for potential future processing.
- ❑ Open pit mining to commence at Balama West, followed by Balama East, then Mualia
- ❑ Sufficient Ore Reserves to support operations for almost 60 years of production and provides opportunity for both mine life extensions and production increases
- ❑ Syrah's Mining Concession (issued on 6 December 2013) covers a 25 year period and is renewable for a further term of 25 years

Summary of Balama Project features

For personal use only

Reserves and Resources⁽¹⁾

- ❑ Reserves: 114.5Mt at 16.6% TGC (18.6Mt contained graphite)
- ❑ Resources: 1,191Mt at 11.0% TGC (128.5Mt of contained graphite)

Mining Method

- ❑ Simple open pit operation with low strip ratio; operations will commence as free-dig mining using conventional truck and shovel mining

Processing method

- ❑ Conventional process including crushing, grinding, flotation, filtration, drying, screening and bagging

Processing rate

- ❑ 2 Mtpa

Product

- ❑ 95% to >98% TGC natural graphite produced across a range of flake sizes

Production

- ❑ Nameplate capacity of 380,000 tonnes of graphite concentrate per annum

Total cash operating costs

- ❑ Initially achieve a C1 production cash cost of <US\$400 per tonne in the first 12 months with later progression to less than US\$300 per tonne

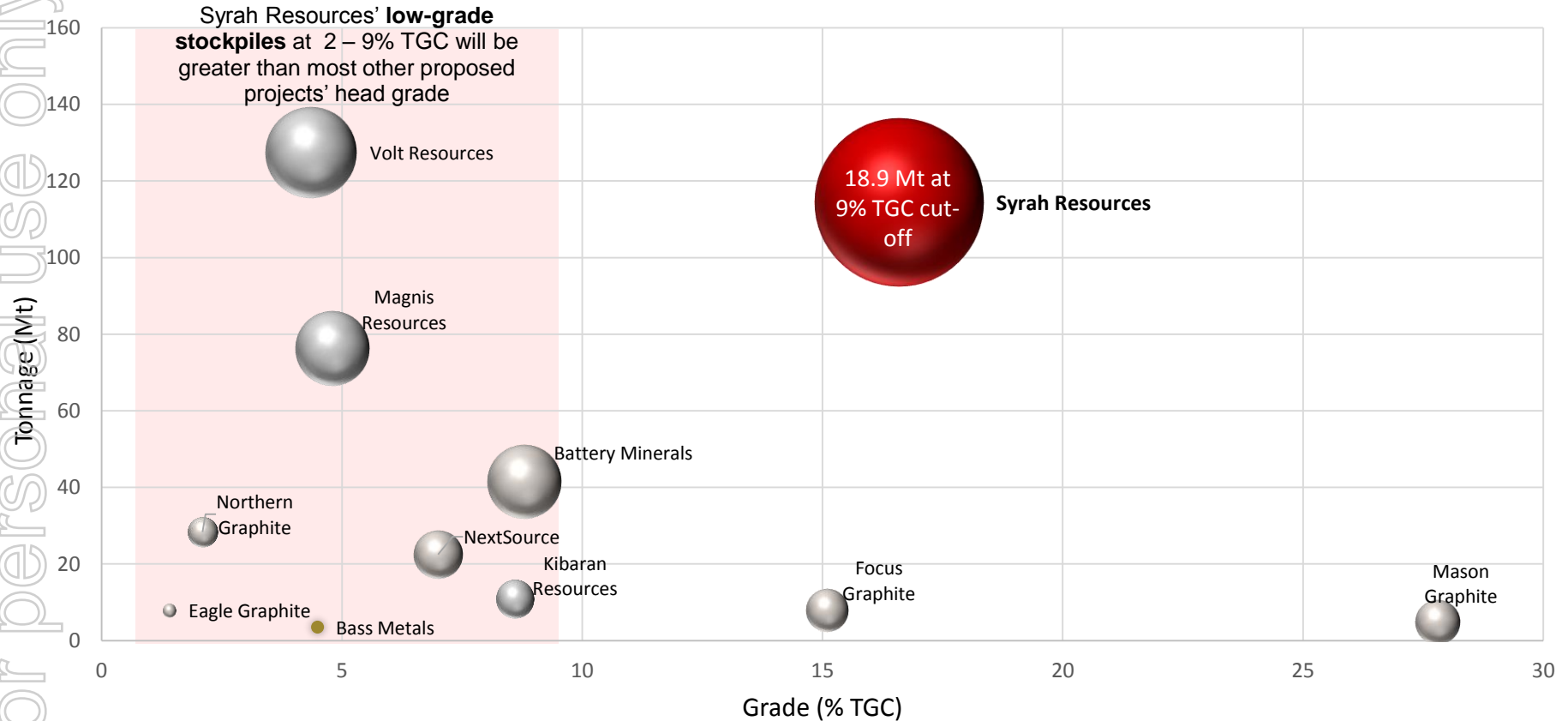
Life of mine

- ❑ Almost 60 years

(1) Refer ASX announcements dated 29 May 2015, 29 November 2016 and 28 April 2017

Syrah's Balama project has the largest defined reserve and significant grade advantage

For personal use only



Source: Syrah Resources, Corporate Reports. bubble size representative of defined reserve / resource.

Notes:

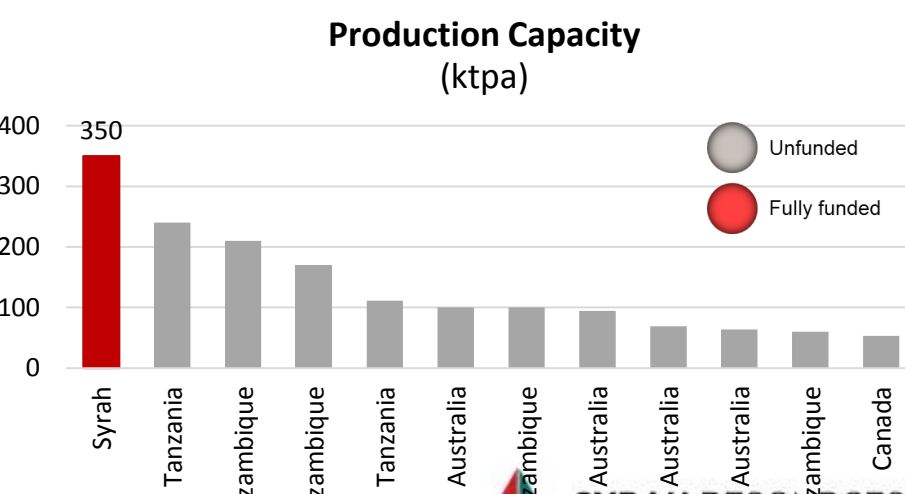
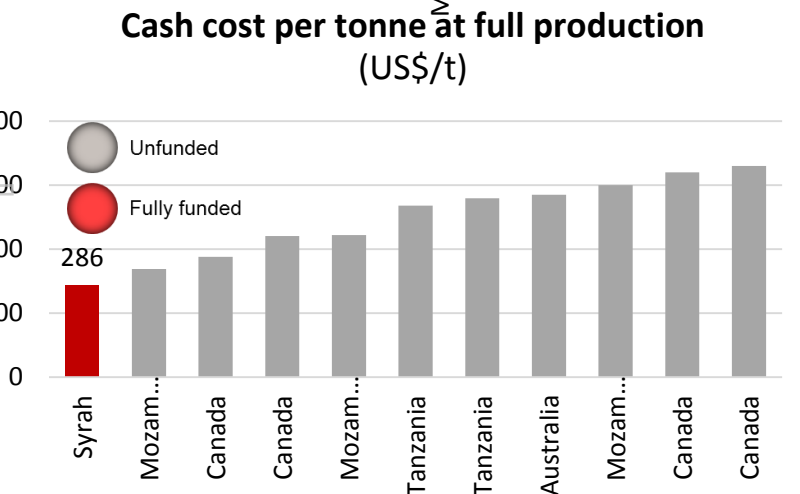
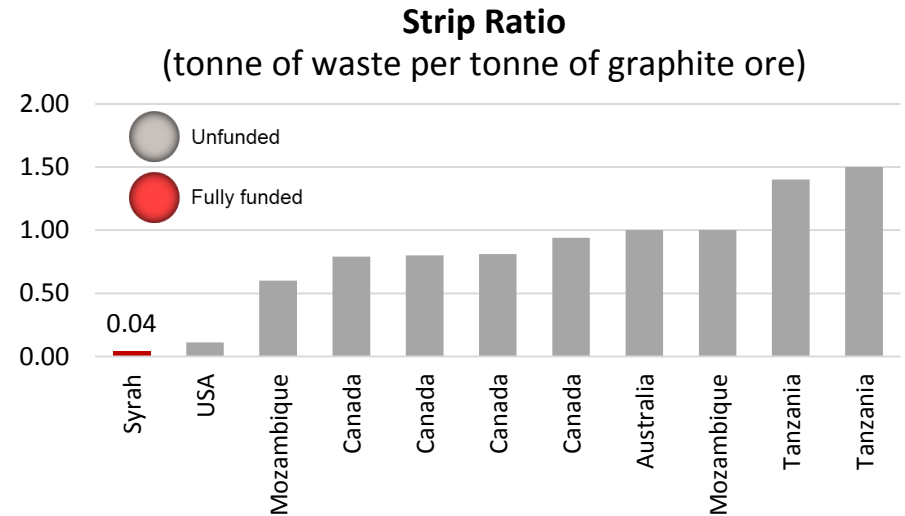
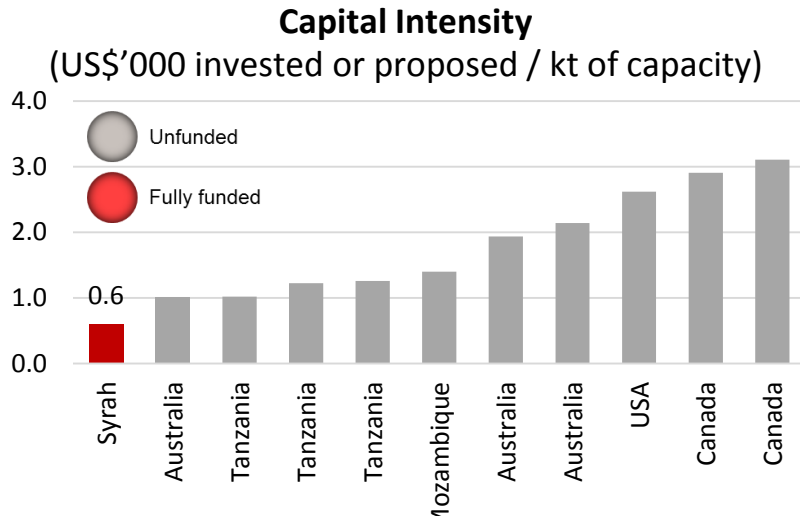
- ASX and TSX listed projects only and excludes Chinese producers
- Cut-off grade for Northern Graphite (Ontario, Canada) is 1% TGC
- Cut-off grade for Nextsource MAterials (Madagascar) is 4.5% TGC
- Cut-off grade for Kibaran Resources (Tanzania) is 5% TGC
- Cut-off grade for Battery Minerals (Mozambique) is 4.4% TGC
- (Cut-off grade for Focus Graphite (Quebec, Canada) is 3.1% TGC
- Cut-off grade for Mason Graphite (Quebec, Canada) is 6% TGC
- Cut-off grade for Volt Resources (Tanzania) is 1.3% to 1.8% TGC
- Bass Metals is a resource definition, not a JORC compliant reserve
- TGC = Total graphitic carbon

- Unfunded
- Fully funded
- Operating



Major project metrics highlight the attractiveness the Balama investment

For personal use only



Source: Syrah Resources, Corporate Reports and ASX announcements

Note: Syrah Resources benchmarked against the next best ten competitors in each metric.

Competitor location based on location of proposed mine, not company headquarters.

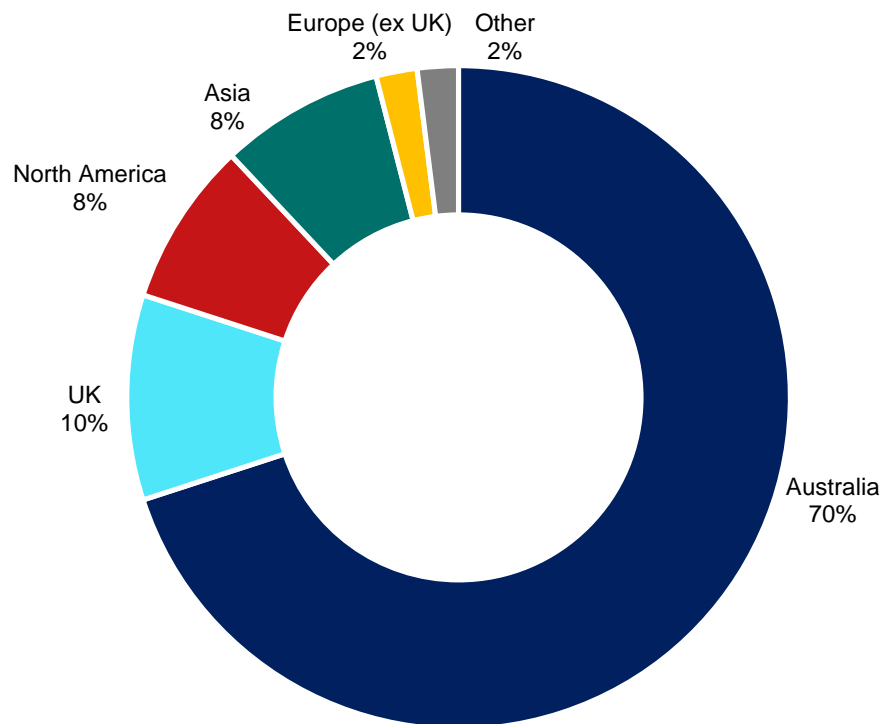


Capital structure

Key details

| | |
|---|------------|
| Shares on issue (as at 31 July 2017) | 263.9m |
| Options on issue (as at 31 July 2017) | 9.6m |
| Unlisted performance rights (as at 31 July 2017) | 0.9m |
| Cash as at 30 June 2017 | US\$100.8m |
| Debt as at 30 June 2017 | Nil |

Geographic analysis of investors⁽¹⁾



Source: Company filings, IRESS

(1) As at 10 July 2017

For personal use only

Sales and Marketing

Our marketing strategy is multi faceted to ensure we are diversified by sector and geography

For personal use only

Sell to customers across all geographic regions

- As the world's biggest producer of graphite we will be active in all regions of the world, and gain access to regular, global information.
- Shipping using commercial container lines to all geographies ensures all key markets are able to be supplied by Syrah Resources.
- Maximise our potential ability to exploit geographic price arbitrages as they occur.

Key supplier of incremental demand for batteries

- Incremental demand for fines flake graphite expected to grow by 90% in the next 3 years.
- Product mix leaves us well placed for the growing battery anode market with 68% fines production.
- Largest supplier expected to come online before 2020.

Sell to customers across all sectors of the market

- As the world's biggest producer of graphite we will be active in all sectors of the market, and gain access to regular, global information.
- Having production across all flake sizes gives us the opportunity to sell to a wide range of customer segments.
- Our product profile is well aligned to future market growth sectors.

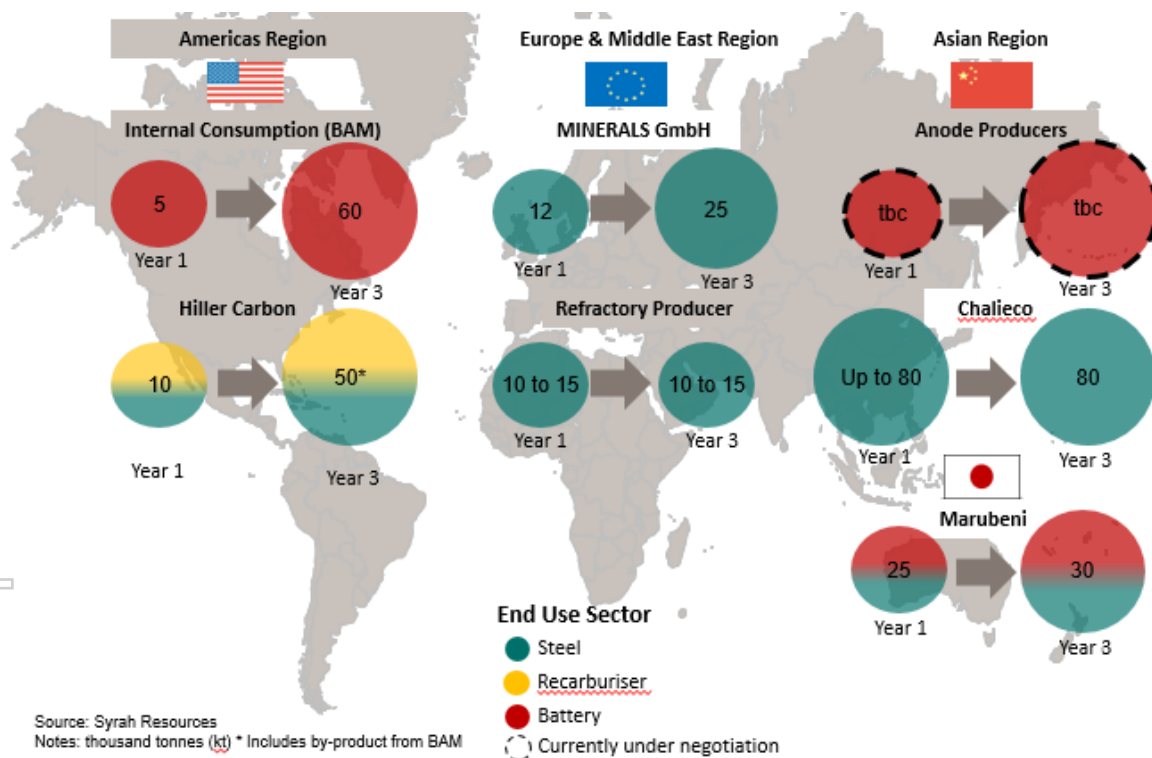
Displace existing high cost and others' future supply

- We will be one of the lowest cost, largest and highest quality producers of natural graphite in the world.
- Being low cost will enable us to potentially displace existing higher cost and lower quality suppliers.
- Scope to expand Balama's capacity with scalable optionality.

Syrah's marketing strategy is to be diversified across customers, end user markets and geographies

For personal use only

Our Flake Graphite Marketing Plan



Six major sales Agreement will form the backbone of our ramp up profile over the next three years.

Our internal consumption for BAM production and multiple smaller agreements will enable us to achieve our goal to reach full capacity.

Marketing strategy is to be diversified by:

- Customer
- Geography
- Sector

We aim to achieve this by:

- Absorbing incremental demand tonnes
- Displacing higher cost production
- Displacing lower quality production

For personal use only

Graphite Market



SYRAH RESOURCES

Graphite market overview

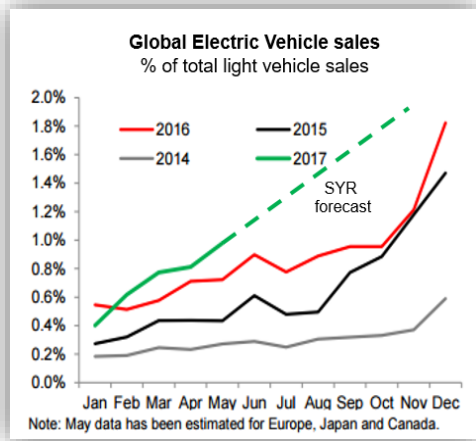
For personal use only

| | | |
|--------|------------|--|
| Supply | China | Increasingly stringent and enforced environmental rules across the graphite industry has led to supply pressure in Shandong province. |
| | Ex - China | Syrah's new supply will enter the global market in the next quarter in the first quartile and displace higher cost producers over time. |
| Demand | Industrial | Demand for larger flake sizes from the steel market remains stable as steel production in China has been supported by investment in infrastructure. |
| | Battery | Demand for fines from the battery industry is very positive. Jan to May 2017 electric vehicle sales are +46% compared to the same time last year. |
| Price | Flake | Fines prices have stabilised, albeit at low levels, in the last quarter. Prices for larger flake sizes have improved due to reduced supply from China. |

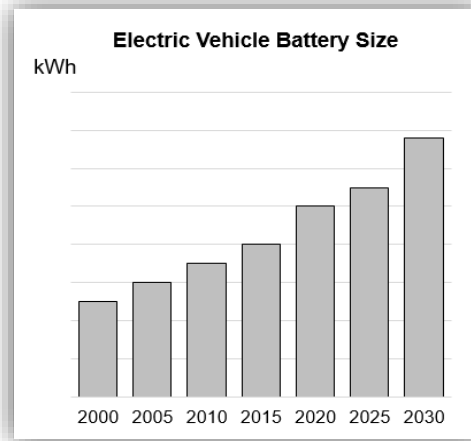
We believe future flake graphite demand is going to be influenced by four global and structural trends

For personal use only

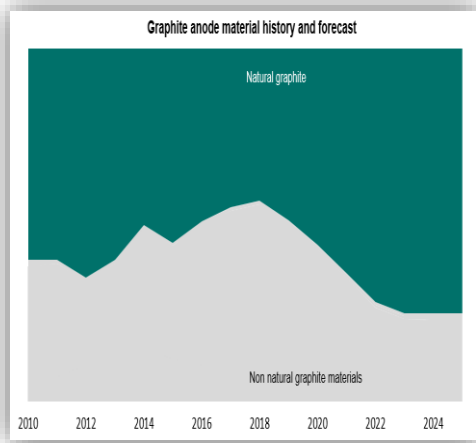
Increased demand for electric vehicles



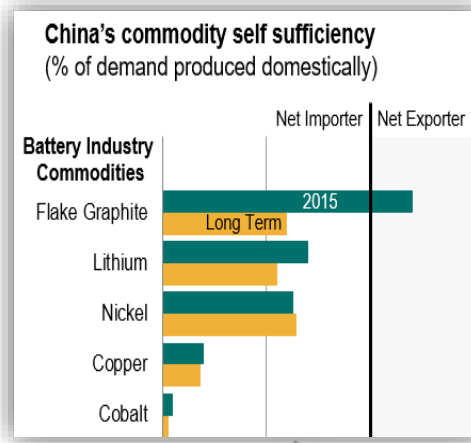
Increased size of batteries used in electric vehicles



Increased use of natural graphite in battery anodes



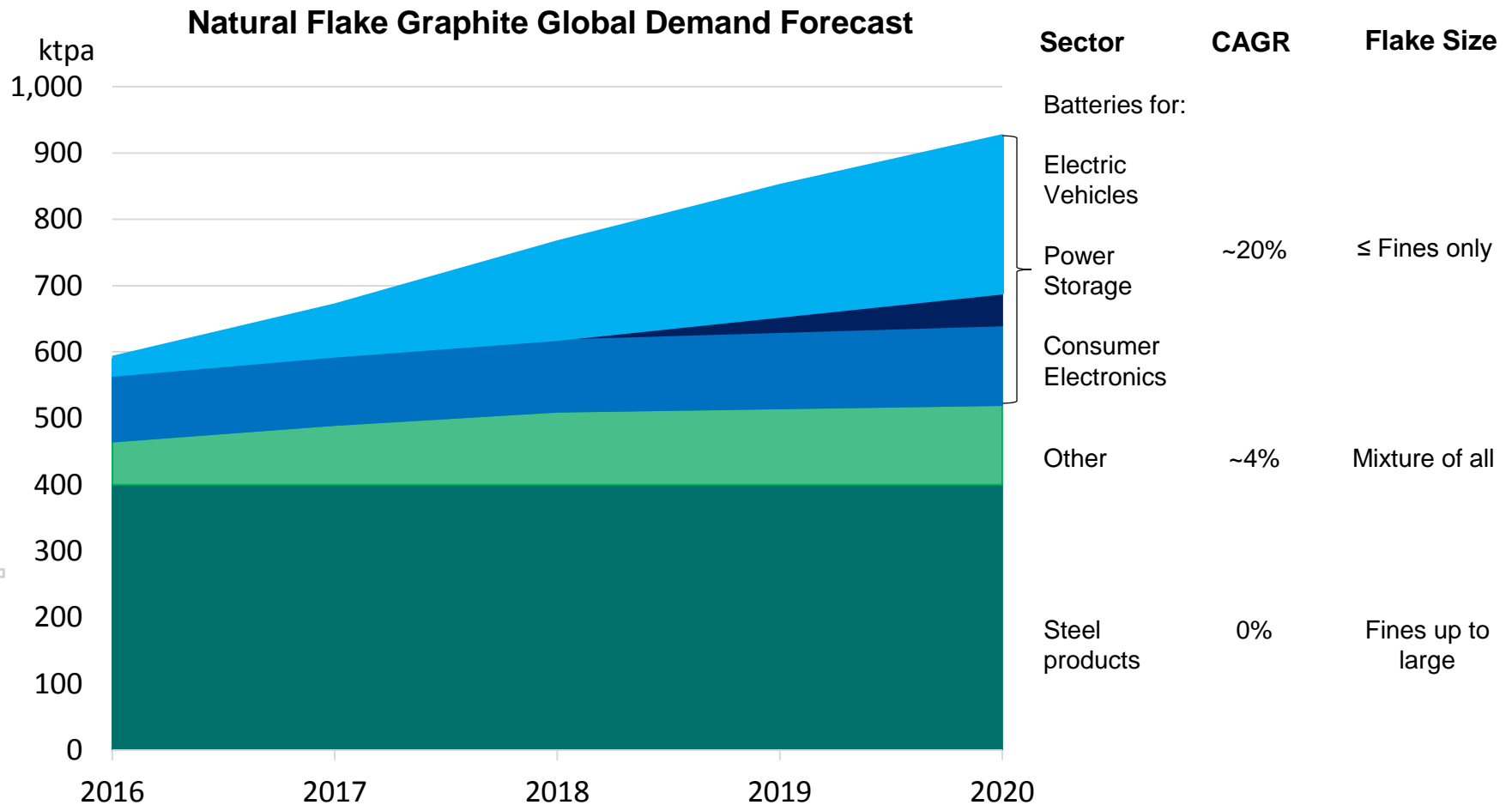
China becoming a net importer of -100 mesh flake graphite



Source: Syrah Resources, Macquarie Bank

Syrah's Balama production ramp up will be driven by the strong global demand growth profile

For personal use only



Source: Syrah Resources

Notes: Steel sector includes refractory bricks, foundries and recarburising products.

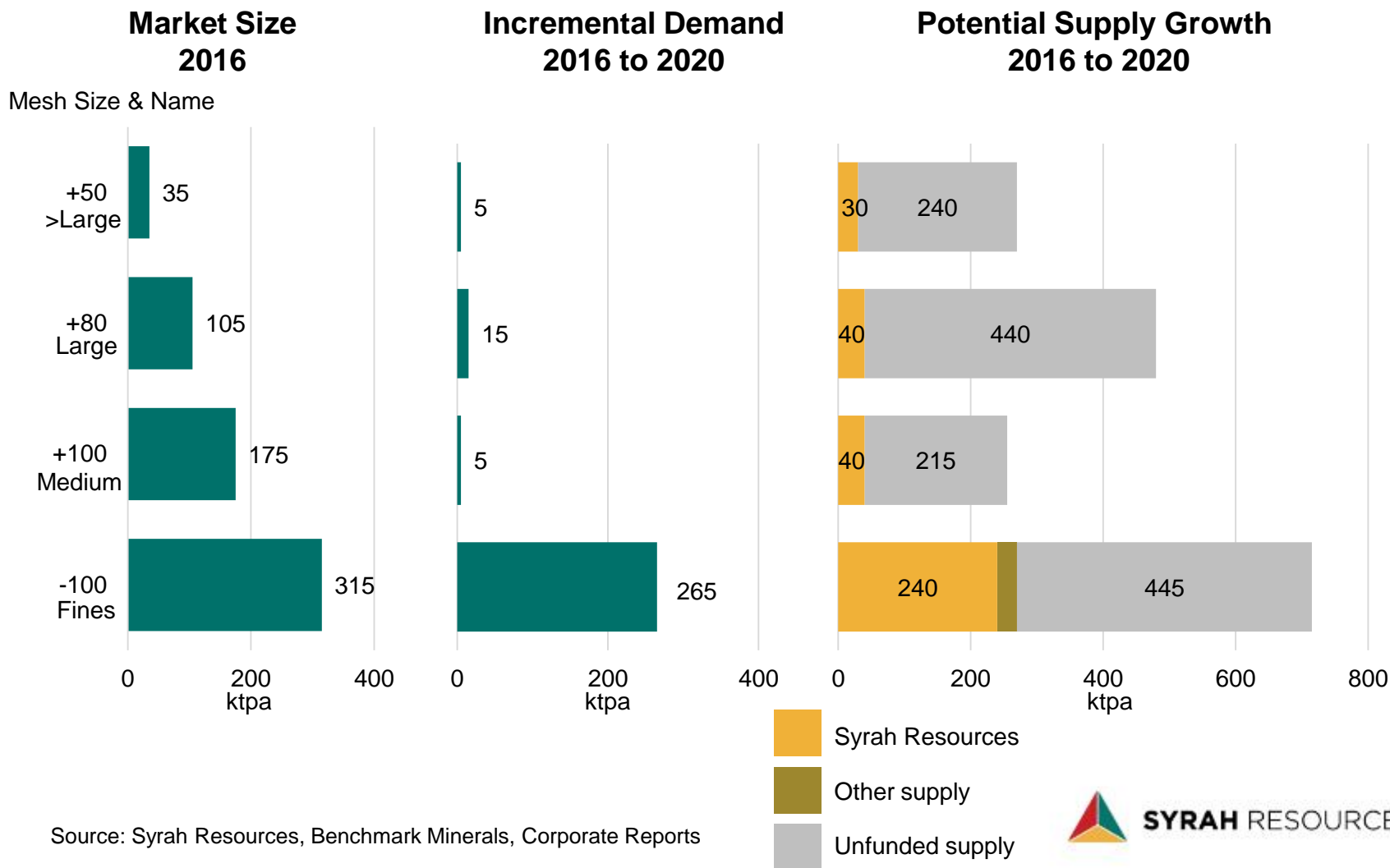
Other includes lubricants, brakes, friction products and pencils.



SYRAH RESOURCES

Majority of global incremental demand growth is for smaller sized flake used in the battery sector

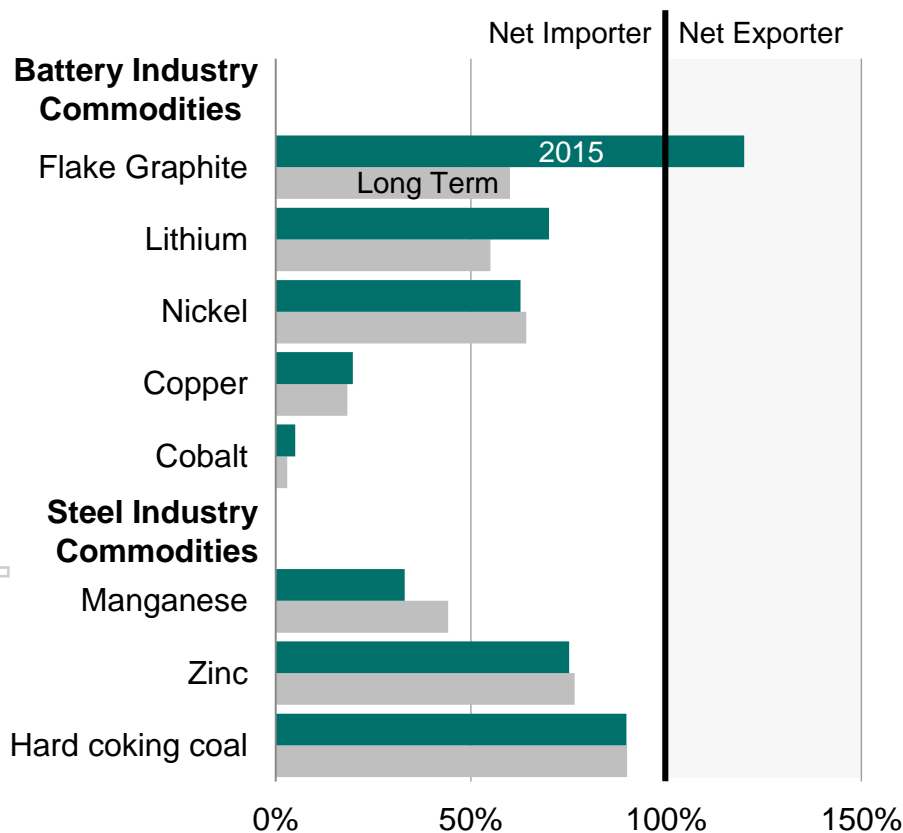
For personal use only



China's demand for -100 mesh flake graphite is increasing at a time of reducing domestic supply

For personal use only

China's commodity self sufficiency (% of demand produced domestically)



China's self sufficiency of commodities is a factor of its economic development status and the accessibility of its own natural endowment.

As China's economy shifts towards higher value adding manufacturing, such as electric vehicles, its demand for -100 mesh flake graphite used in batteries is increasing.

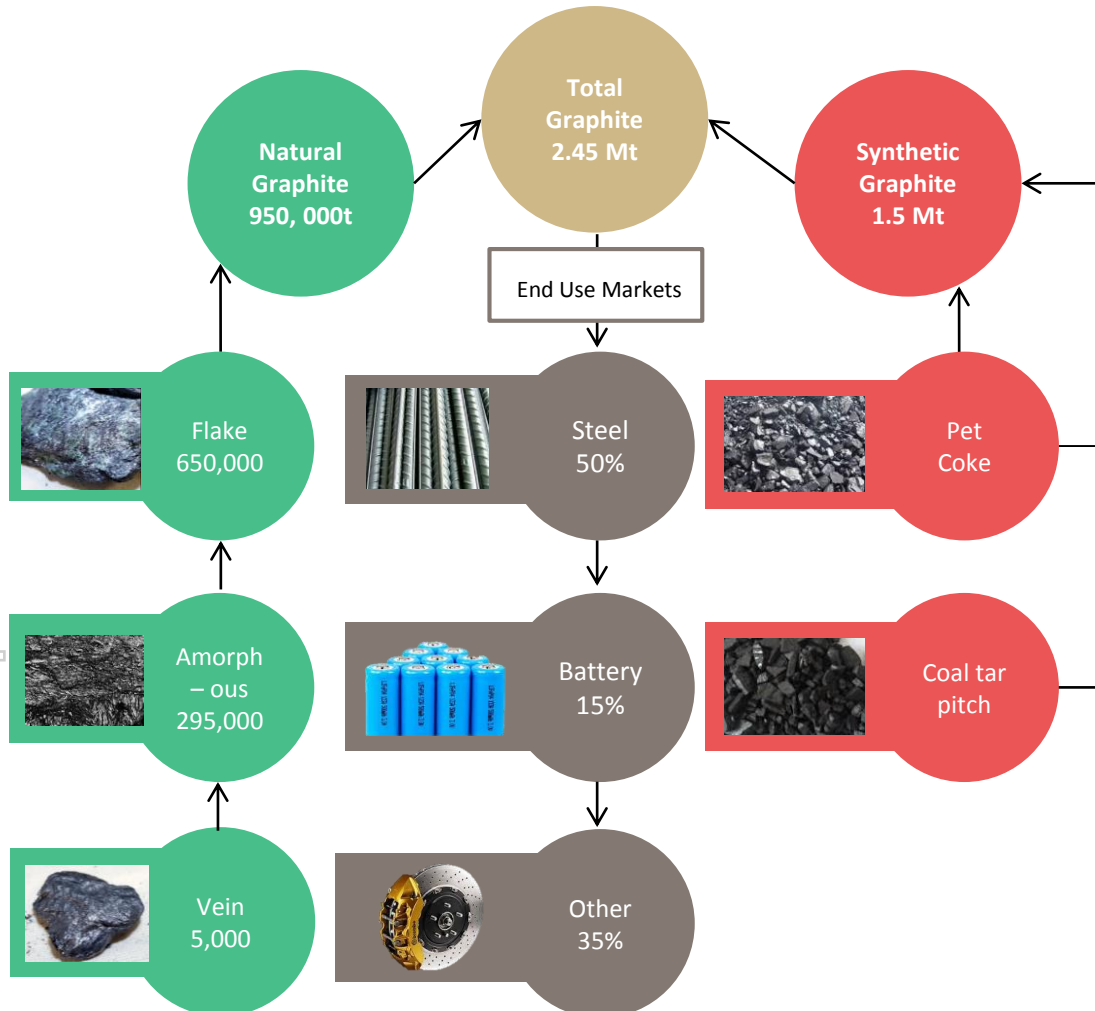
This is occurring at a time when the supply of this material is declining due to the exhaustion of high quality domestic resources and increased environmental regulations.

Syrah's relationship with China's manufacturing and battery industry is mutually beneficial and both share the same long term strategic goals.

Global graphite market definition and flow

For personal use only

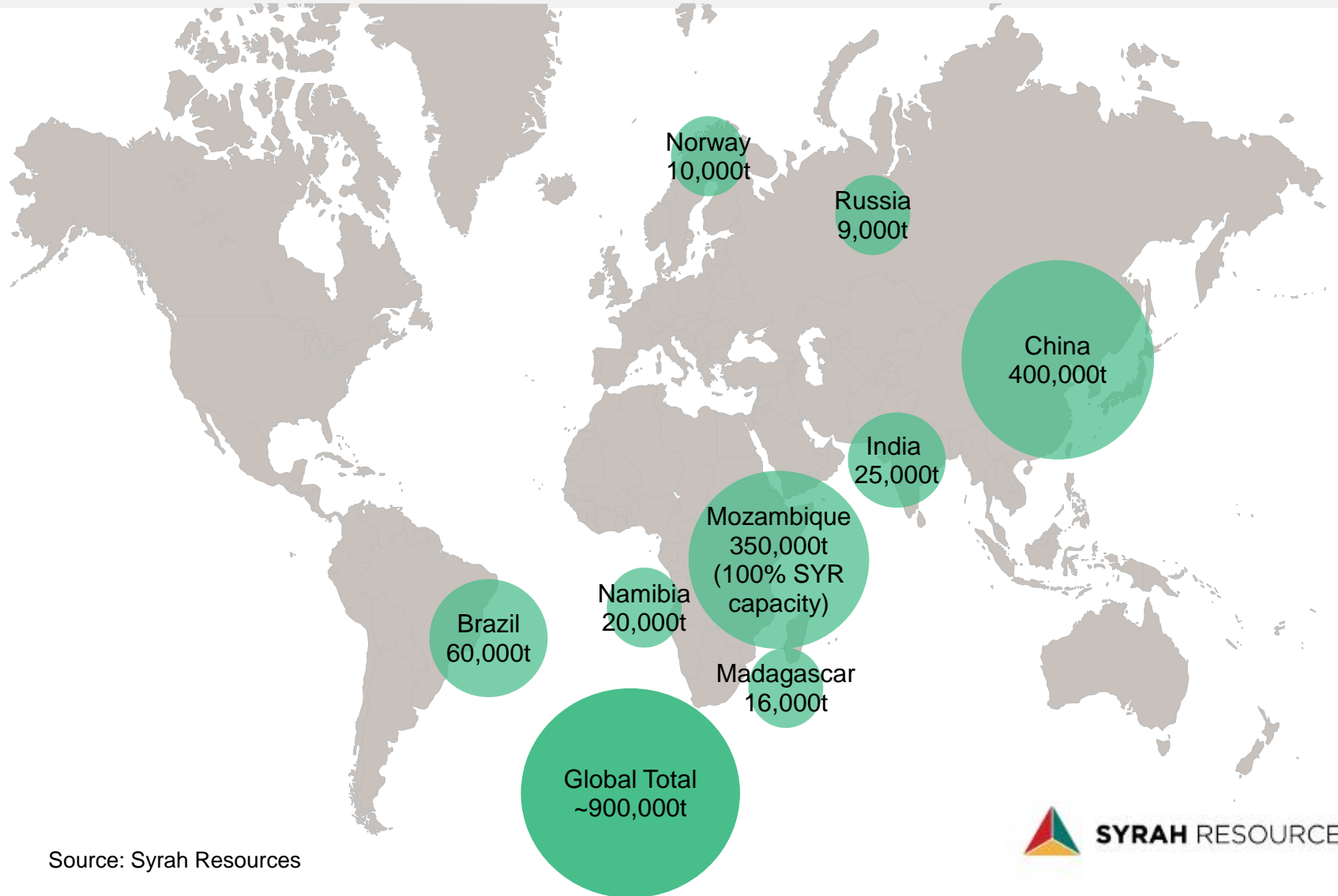
Global Graphite Market Flow (2016)



- The total graphite market refers to the sum of natural and synthetic graphite production.
- Synthetic graphite predominately derived from petroleum coke, with a small amount from coal tar pitch
- Majority of world's amorphous and flake supply is from China
- All vein supply is from Sri Lanka.
- Currently, the steel market is the main end use market
- Battery market is the fastest growing sector of the natural flake market moving from 15% to 35% share by 2021

By 2020 Syrah will be the largest individual graphite producer in the world with ~40% market share

For personal use only



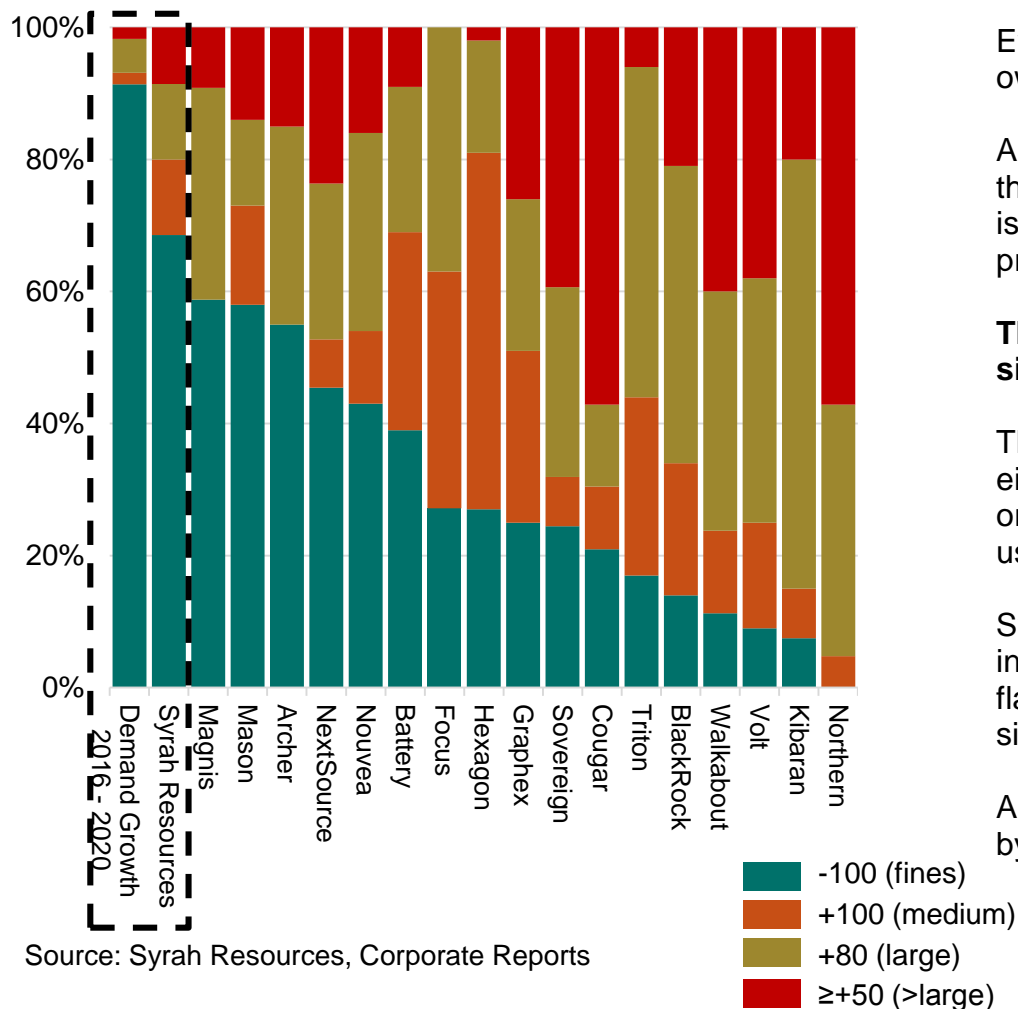
Source: Syrah Resources



Syrah's product profile matches incremental demand growth, large flake size demand growth limited

For personal use only

Incremental Graphite Demand & Company Product Mix



Source: Syrah Resources, Corporate Reports

Every natural flake graphite size market has its own supply and demand fundamentals.

Although larger flake sizes obtain higher prices, the markets for these sizes are small and growth is limited due to low to no growth in global steel production.

The battery sector uses -100 mesh or smaller sized flake graphite.

The focus on larger flake sizes by others is either due to inflating the potential basket price or a misunderstanding of the graphite and end user markets.

Syrah's product mix captures nearly all of the incremental demand for battery sector sized flake graphite and all of the demand for larger sized flake sizes in the next 5 years.

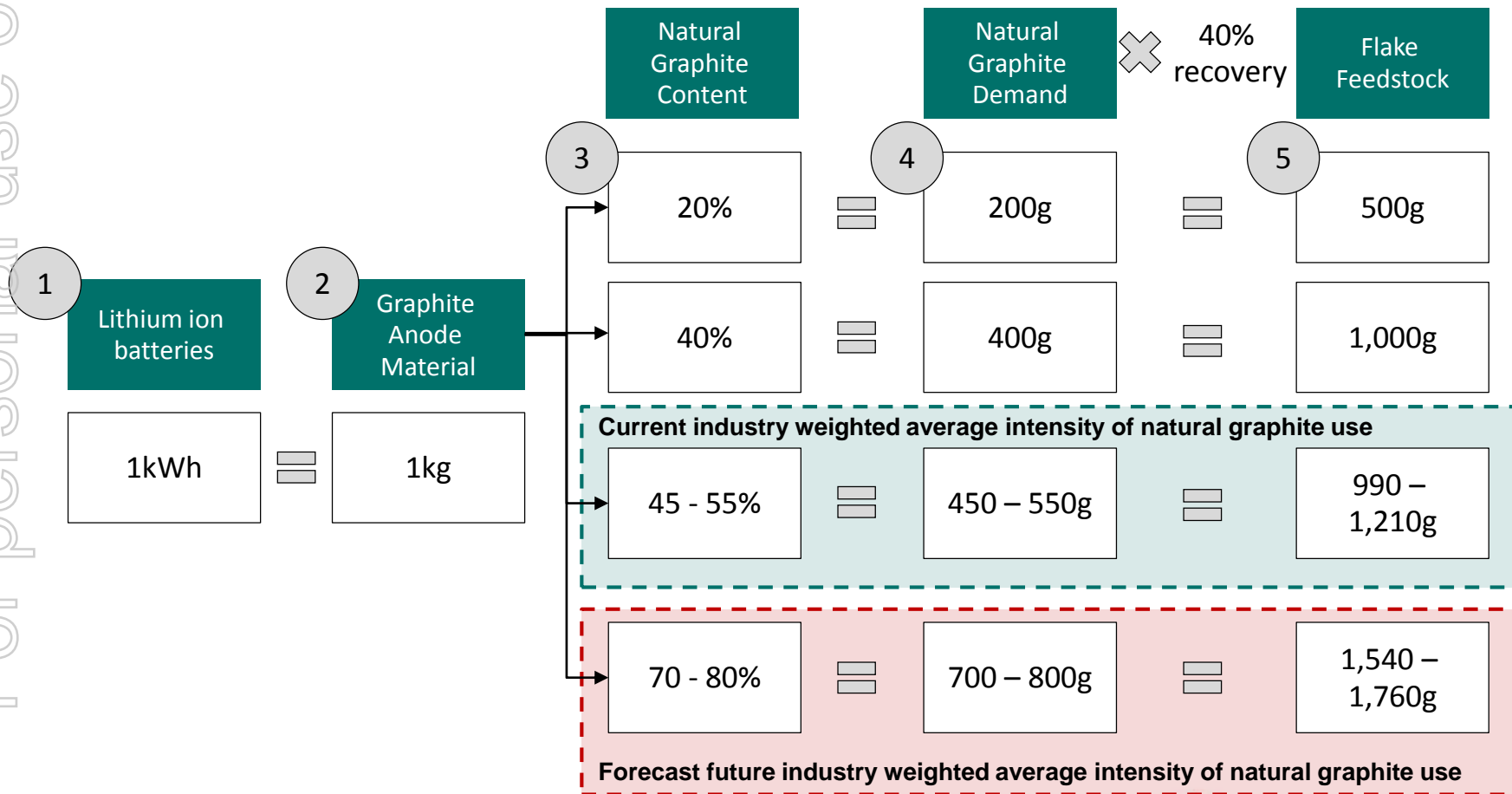
Any upside to incremental demand will be met by a potential expansion by Syrah >2020.



Each kilogram of natural graphite anode material requires over twice the amount of flake as feedstock

For personal use only

Battery to Flake Graphite Calculation

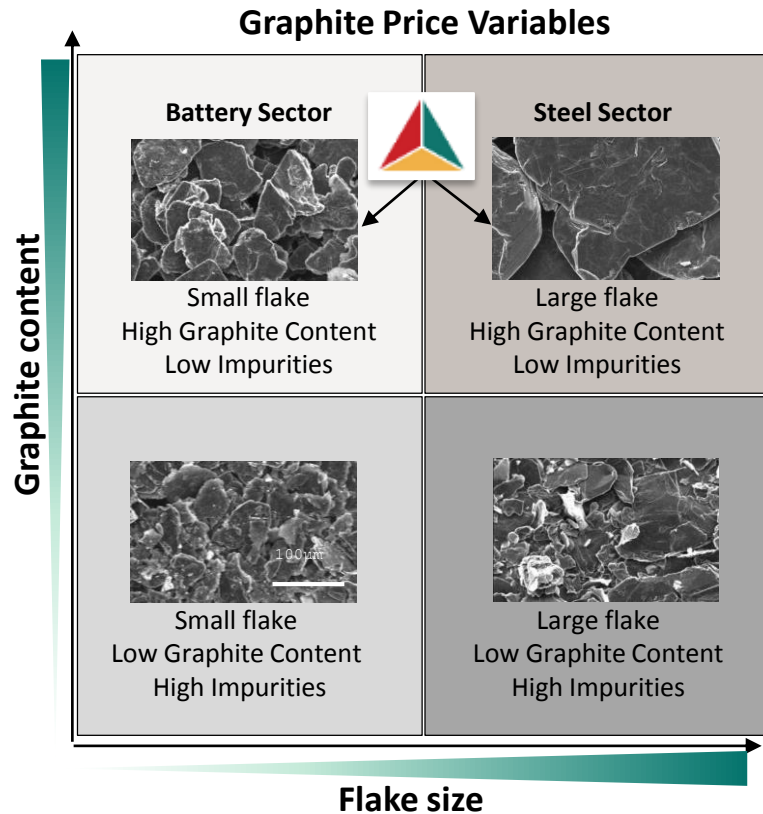


Source: Syrah Resources

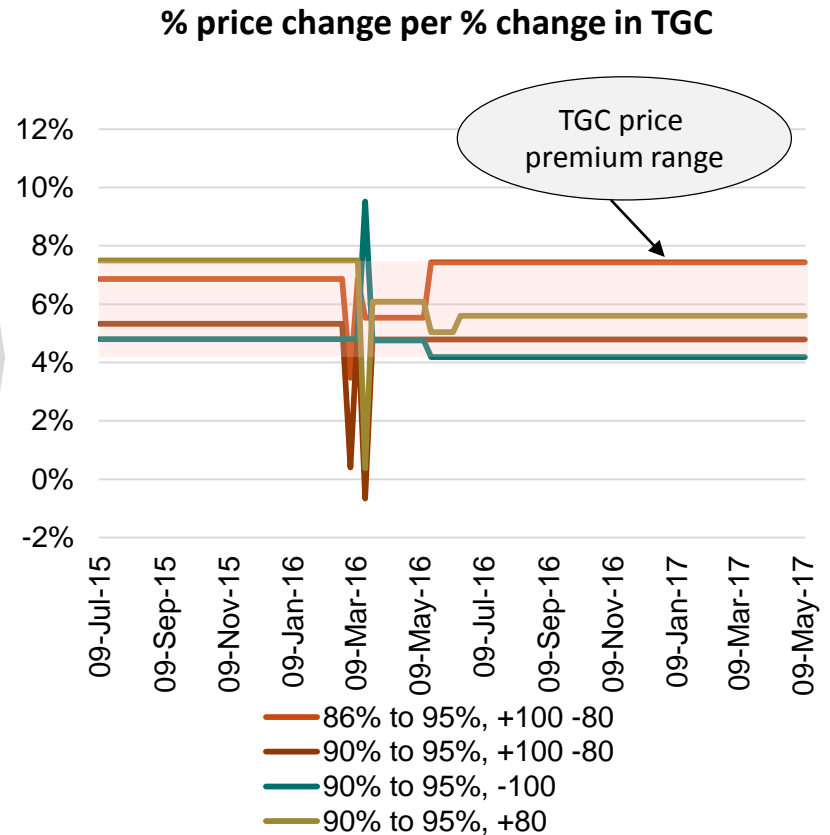
Syrah's product quality and grade will command a premium price

For personal use only

Flake prices are determined based on a range of value in use variables such as graphite content, flake size and impurity levels.



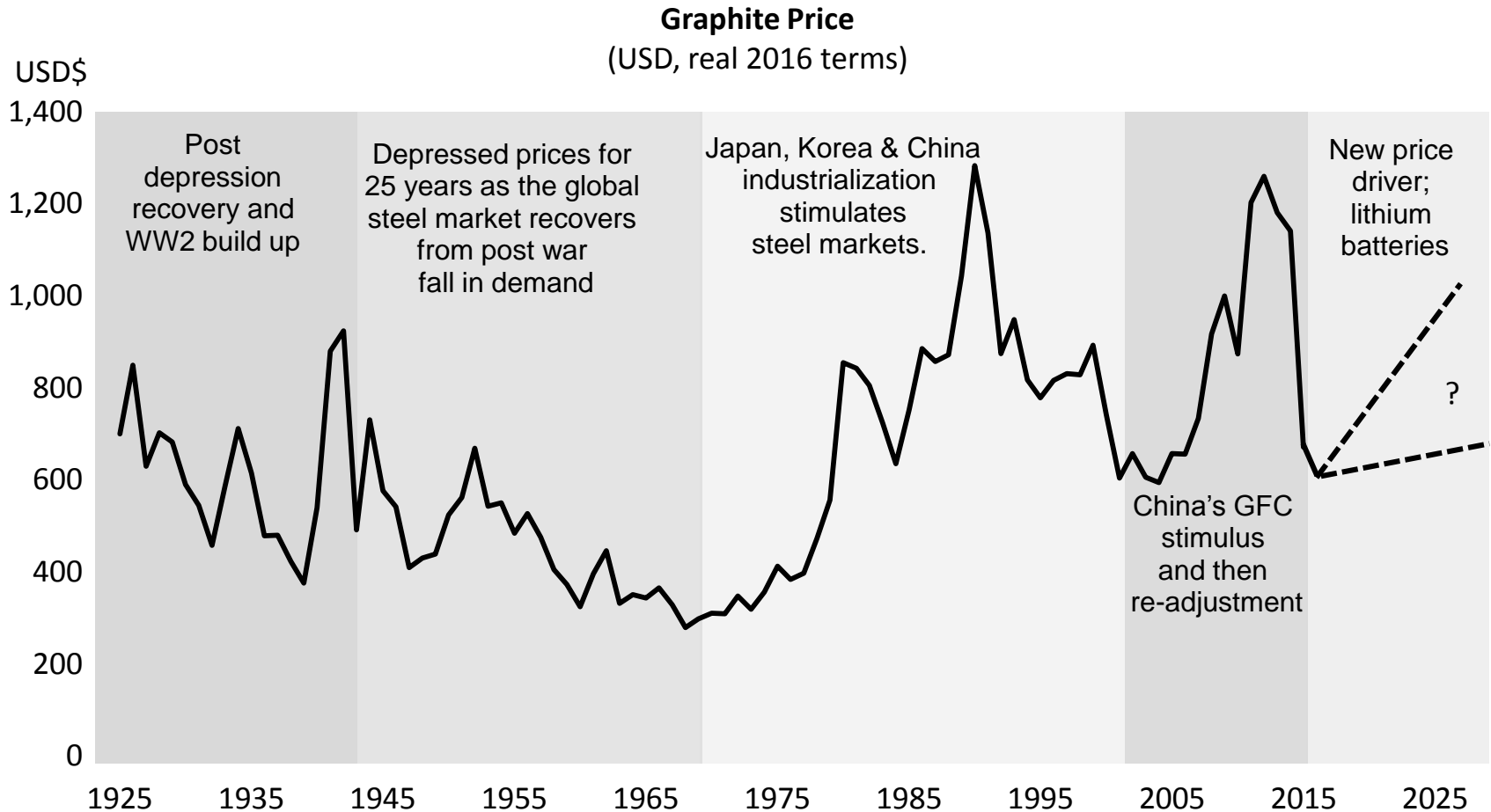
The market already appreciates this value. An additional +1% of TGC equates to a +4 - +7% value uplift, depending on the flake size.



Source: Syrah Resources analysis, Industrial Minerals price data

Price historically driven by steel and industrial applications; now and in future by battery demand

For personal use only



Source: USGS, Syrah Resources
Notes: for low grade fines






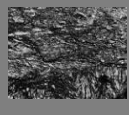














For personal use only

End User Markets

Non-metallic and metallic properties of flake graphite ensure the largest variety of applications

For personal use only

Graphite Types, Properties & Uses

| Graphite Type | Disadvantages | Advantages | End Markets | | | |
|--|---|---|---|---|---|---|
| | | | Metallurgical | Batteries | Technical | Other |
|  Flake | Inconsistent quality | Low cost, low impurities, crystalline structure, porosity |  |  |  |  |
|  Amorphous | Weak crystalline structure, high impurities | Lowest cost |  |  |  Brakes only |  |
|  Vein | Small economic Sources, high cost | Very high graphite content |  |  |  Brakes only |  |
|  Primary Synthetic | Highest cost, Highest pollution | Consistent quality, very low impurities |  |  |  |  |

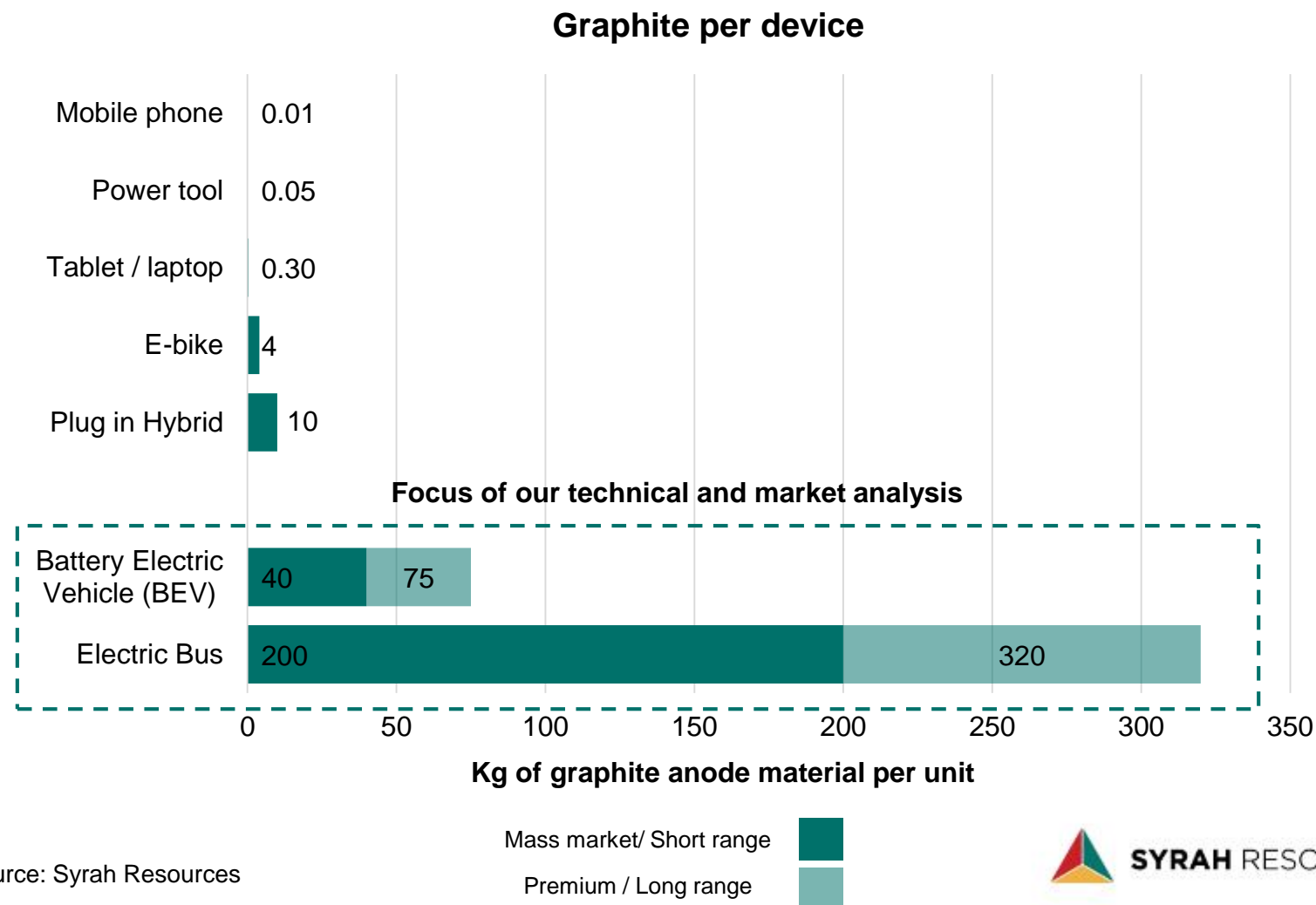
Metallurgical: Refractories, crucibles, moulds, castings. **Batteries:** Lithium, lead acid, fuel cells, carbon brushes.
Technical: Electrodes for steel and aluminium production, expandable, brakes, flame retardants, nuclear reactors.
Other: Pencils, lubricants, paints.



SYRAH RESOURCES

We focus on electric vehicles due materiality of graphite use in each unit and the expected growth in the sector

For personal use only



Source: Syrah Resources

Global awareness, planning and investment continues to build for electric vehicles

For personal use only

Vehicle Electrification Market Worth 92.59 Billion USD by 2022

Global electric vehicle fleet surpasses 2 million cars

Volkswagen to launch 30 electric vehicle models by 2025

Glencore Says Electric Car Boom Is Coming Faster Than Expected

BASF, Norilsk In Talks On Raw Material Supply For Battery In Europe

Porsche's Plan to Move to Electric Cars

Race Is on to Mine Metal Powering Electric Vehicles

Electric cars SMASH another milestone due to 'consumer-driven phenomenon'

VW plans to 'leapfrog' Tesla in electric car race

Hyundai pushes electric car plans as sales slump

UK car industry pins hopes on battery technology

Electric car costs forecast to hit parity with petrol vehicles

Honda will unveil a new all-electric vehicle this autumn

Pretty Soon Electric Cars Will Cost Less Than Gasoline

Electric Car Sales Are Surging, IEA Reports

Cadillac Creeps Up on Tesla With a Plush Plug-In

Move Over Tesla, Europe's Building Its Own Battery Gigafactories

Carmakers grapple with China's electric vehicle drive

Nagpur gets India's first fleet of electric vehicles

Subaru Weighs Electric Vehicles as Part of Record R&D Spending

Mahindra and Mahindra lines up mega expansion in electric vehicles

Metals tycoon, JSW Group, plans to make electric vehicles in India by 2020

BYD approved as a local manufacturer in Argentina

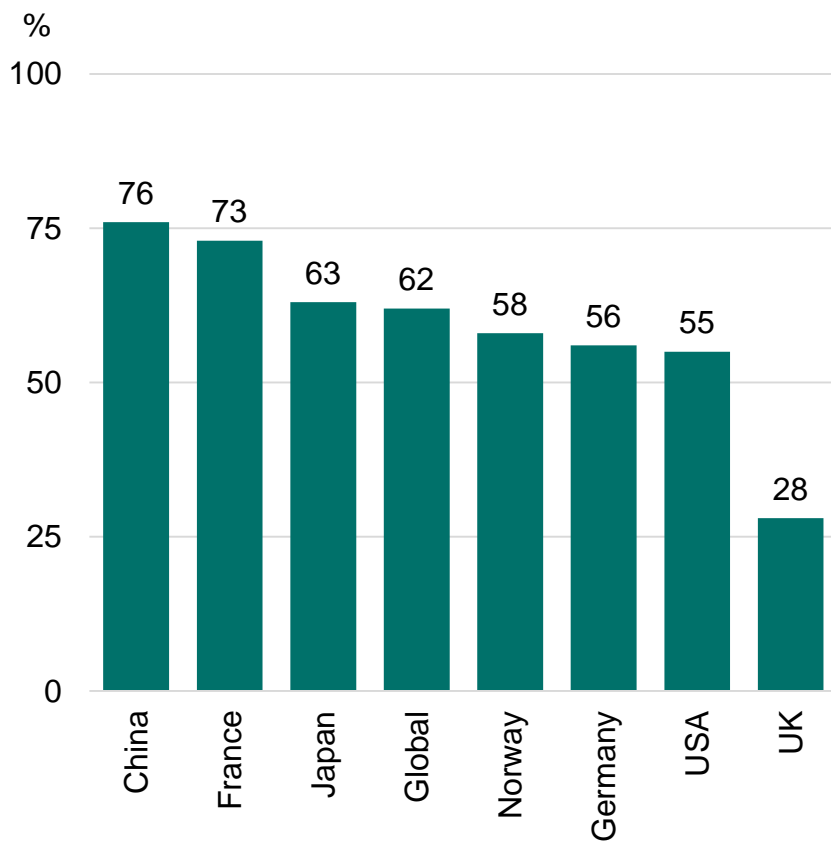
Australia Post explores new age of letter, parcel delivery with electric vehicles

Largest car markets have high BEV penetration, China electric bus sales have risen significantly since 2014

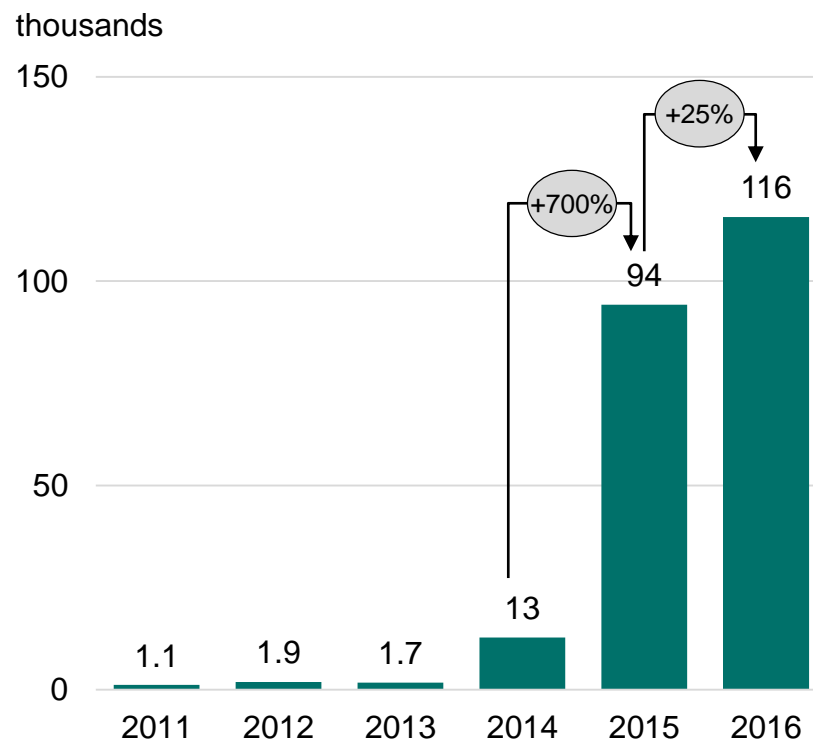
For personal use only

Battery Electric Vehicle (BEV) Sales

% of 2016 total EV sales



China Electric Bus Sales



Source: Macquarie Bank, International Energy Agency, Syrah Resources
Notes: BEV = Battery Electric Vehicle

For personal use only

Battery Anode Material (BAM) Project

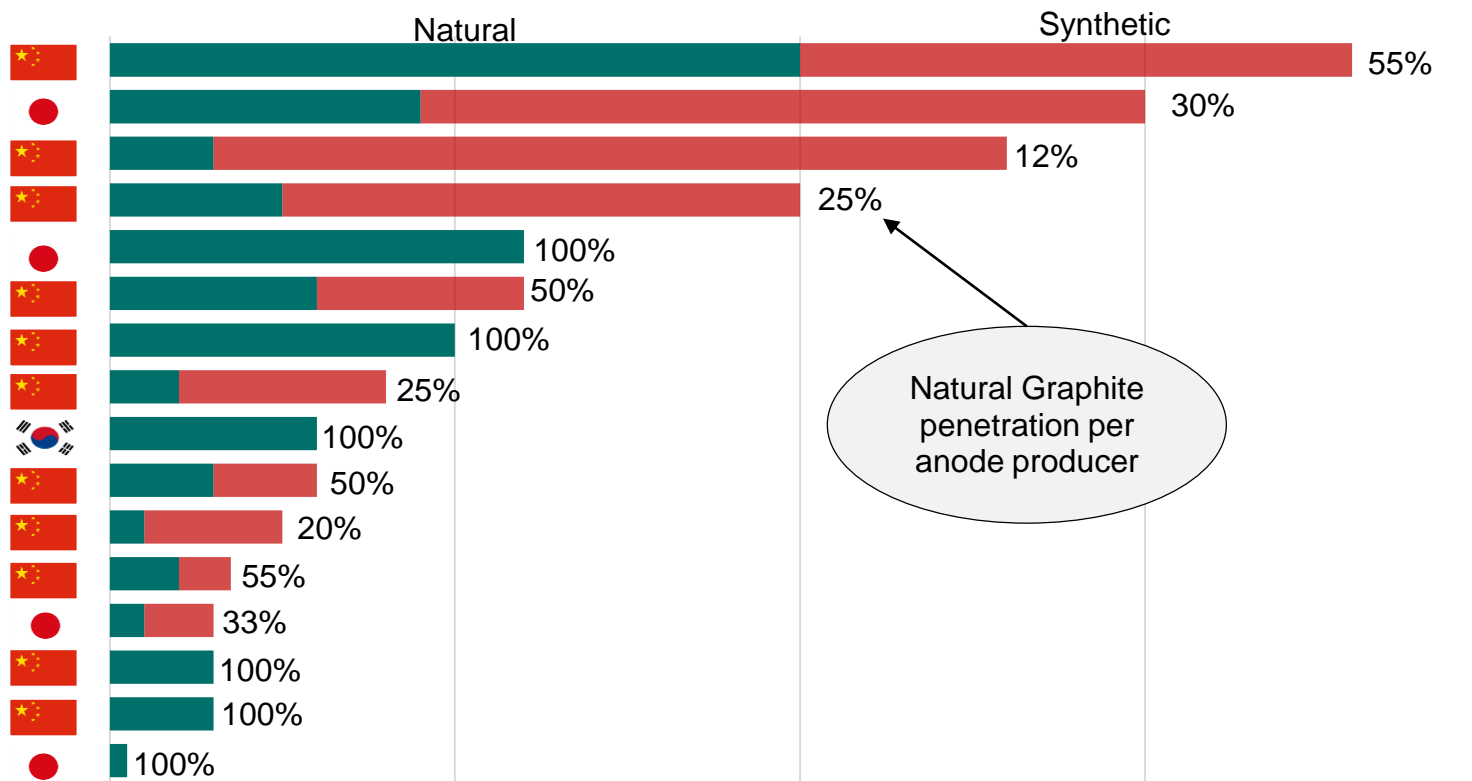


SYRAH RESOURCES

Blending natural and synthetic graphite in anodes enables a balance of performance and cost

For personal use only

Anode capacity and graphite type penetration

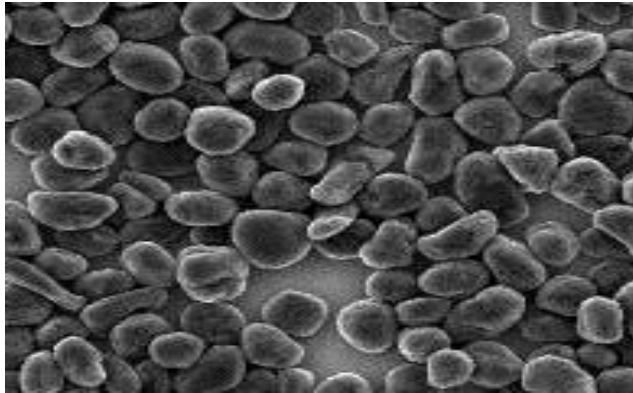


Volume

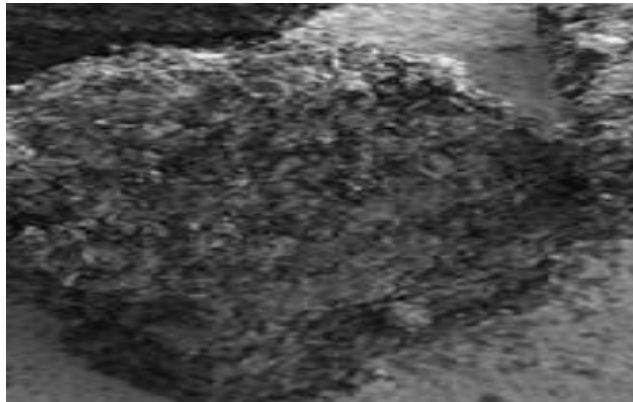
A higher proportion of natural graphite drives down battery cost, and improves capacity

For personal use only

Natural graphite



Synthetic graphite



Natural graphite anode active material has an average capacity +6% greater than synthetic graphite.

Substituting a higher proportion of natural graphite into the anode reduces battery costs.

This facilitates overall battery prices to decline without placing price pressure on the natural flake and anode producers.

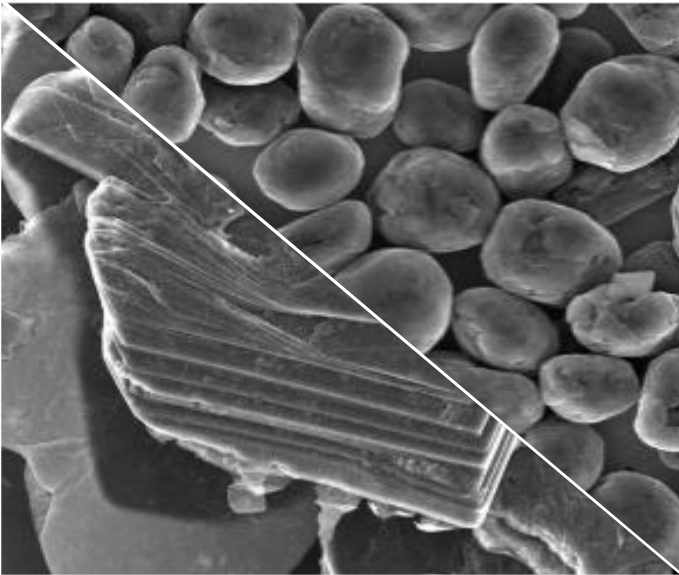
Current industry research is focused on improving the cycle lifetime of natural flake anodes.

Our MOU with Cadenza will allow us to further test and develop battery anode material options.

Syrah's graphite is in demand, and characteristics provide production and cost advantages

For personal use only

Syrah Resources Spherical Graphite



Syrah Resources Flake Graphite Concentrate

Characteristics of Syrah Resources' graphite

- 1 Optimal flake size**
-100 mesh maximises production yield for battery market. +100 mesh material primarily for industrial markets.
- 2 Crystallisation**
Balama graphite has a fully ordered crystalline structure.
- 3 High production yields**
Spherical graphite production yield of 45% - 55%, compared to typical yields of 30% - 40%.
- 4 Degree of spheroidisation**
Well rounded spherules, increased tap density and anode efficiency.
- 5 Purity level**
High ore graphite content eases purification to 99.95%+ that increases anode life and conductivity.