

Battery Minerals signs 3rd binding Offtake Agreement with Qingdao Black Dragon Graphite Co. Ltd

Total sales now up to 60% of stage 1 production

Highlights

- Latest binding offtake agreement covers another 10,000 tonnes of graphite concentrate per annum at a minimum 95% TGC
- The initial term of the agreement is three years
- 60% of Montepuez's forecast production now subject to binding offtake agreements

Battery Minerals Limited (ASX Code: BAT, "Battery Minerals") is pleased to advise that it has signed a third binding offtake agreement, this time with Qingdao Black Dragon Graphite Co. Ltd ("Black Dragon"), for 10,000 tonnes a year of graphite concentrate from its Montepuez project in Mozambique for an initial term of 3 years.

Black Dragon is a privately-owned company based in Shandong in China with extensive expertise in mining, production, downstream processing and marketing of graphite.

Battery Minerals Executive Chairman David Flanagan said: "The Montepuez is rapidly gaining momentum, as demonstrated by the fact that we now have three binding agreements covering 60 per cent of our forecast annual production.

"At the same time, we are in discussions to finalise the Mining Licence and we are rapidly advancing the Montepuez project as part of our strategy to be in production by December 2018 and complete our first shipment in the March Quarter of 2019."

Background Information

Qingdao Black Dragon Graphite Co. Ltd is a privately-owned company based in Shandong China, and is one of the China's largest consolidated graphite companies. Established in 1987 Black Dragon has four mining operations in both Heilongjiang and Shandong producing 50,000 tons of concentrate per year. It also produces over 300 specifications of various downstream graphite products and is one of the few companies in China who has the complete industry value chain of mining, concentrate production, coated spherical graphite, expandable, graphite paper and a range of other high value products delivered to first tier global companies.

Battery Minerals Limited ("Battery Minerals") is an ASX listed Australian company with two world-class graphite deposits in Mozambique, those being Montepuez and Balama. Battery Minerals has produced high quality graphite flake concentrate at multiple laboratories. Battery

Minerals intends to commence graphite flake concentrate production from its Montepuez Graphite Project in the December 2018 Quarter and first shipment in the March 2019 Quarter at export rates of 45,000 to 50,000tpa at an average flake concentrate grade of 96.7% TGC.

As Battery Minerals executes subsequent expansions, it expects production to grow to over 100kt per annum graphite flake concentrate from its Montepuez Graphite Project by 2022.

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