

## Kwinana Supply Agreement

**EcoGraf Limited (EcoGraf or the Company)** (ASX: EGR) is pleased to announce that it has entered into a Memorandum of Understanding with German trading group TECHNOGRAFIT GmbH (**TECHNOGRAFIT**) for the supply of natural flake graphite feedstock for its proposed battery graphite manufacturing facility in Kwinana, Western Australia.

TECHNOGRAFIT is a business managed by Mr Dominik Georg Luh and is a leader in trading mineral raw materials, graphite sales and distribution in Europe. Mr Luh is the 4th generation of the Luh family, which has been dealing in graphite for over the last 110 years.

Reflecting the importance EcoGraf places on sustainable supply chains, TECHNOGRAFIT is certified under international standard ISO 14001 for effective environmental management systems and practices.

TECHNOGRAFIT will supply graphite concentrate feedstock from a range of pre-qualified sources for the phased EcoGraf spherical graphite development in accordance with specifications notified by EcoGraf.

Principle terms include:

- Feedstock prices will be based on prevailing global market prices.
- Feedstock tonnage requirements of up to 10,000 tonnes and increasing up to 40,000 tonnes from 2023.
- Initial term of 5 years, renewable for a further 5 years by mutual agreement.
- TECHNOGRAFIT will provide assistance to EcoGraf with battery graphite sales, product development programs with prospective customers and sales of by-product fines into higher value carbon markets.
- Binding agreement expected to be entered into by 30 June 2020

Finalising these graphite feedstock supply arrangements is another milestone in the Company's progress to finance and develop its state-of-the-art 20,000 tonne per annum battery graphite purification facility in Western Australia. As previously reported (refer ASX announcement *Australian Government Agency In-Principle Debt Funding Support for West Australian Battery Graphite Plant* 3 March 2020) Export Finance Australia has confirmed that subject to completing a detailed assessment of the project, it will consider the provision of debt finance for the new US\$72 million development.

A detailed financial model has been prepared for the Kwinana funding process that incorporates proposed terms for a US\$35 million debt funding package, representing approximately 50% of the total construction cost.

The Kwinana facility will be the first of its kind to be constructed outside of China and will provide a new supply of high quality and cost competitive purified spherical graphite for the lithium-ion battery market.

This announcement is authorised for release by Andrew Spinks, Managing Director.

**For further information, please contact:**

### **INVESTORS**

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### **About EcoGraf**

Founded on a commitment to innovation and sustainability, EcoGraf is building a vertically integrated business to produce high purity graphite for the lithium-ion battery market.

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

To complement the battery graphite operations, EcoGraf is also developing the TanzGraphite natural flake graphite business, commencing with the Epanko Graphite Project, which will supply additional feedstock for the spherical graphite processing facilities and provide customers with a long term supply of high quality graphite products for industrial applications such as refractories, recarburisers and lubricants.



A video fly-through of this new facility is available online at the following link:

**Fly through video**

