

Strategic Collaboration to Evaluate BAM Facility

Opportunity fits EcoGraf's strategy of developing downstream supply chains in key global battery regions

Diversified battery anode materials company **EcoGraf Limited** (**EcoGraf** or the **Company**) (ASX: **EGR**; FSE: **FMK**; OTCQX: **ECGFF**) is pleased to announce the Company has signed a non-binding Memorandum of Understanding (MoU) with Vietnam based VinES Energy Solutions Joint Stock Company (**VinES**).

VinES is an innovative clean energy solutions provider and a lithium-ion battery manufacturer, and together with VinFast - a global electric vehicle manufacturer are both members of VinGroup, the largest private conglomerate in Vietnam.

Highlights

- **VinES has operating lithium-ion gigafactory plants in Vietnam and agreement allows opportunity to support VinES expansion plan into the US market**
- **Agreement to undertake a feasibility study to evaluate development of a battery anode material facility in Vietnam using EcoGraf HFFree™ US patented processing technology**
- **Subject to successful completion of the study on the Vietnam facility, VinES and EcoGraf to enter**
 - **binding agreement and joint development of a battery anode supply chain in Vietnam**
 - **feedstock supply, product offtake, investment and financing**
- **VinES and EcoGraf to jointly evaluate local Vietnam graphite sources for feedstock for the production of a localised battery anode material with its Epanko graphite supply from Tanzania**

EcoGraf is pleased to jointly evaluate with VinES the development of a localised battery anode material (BAM) facility in Vietnam. This opportunity is consistent with EcoGraf's strategy of developing downstream supply chains within the global battery manufacturing hubs through the support of major battery and EV manufacturers.

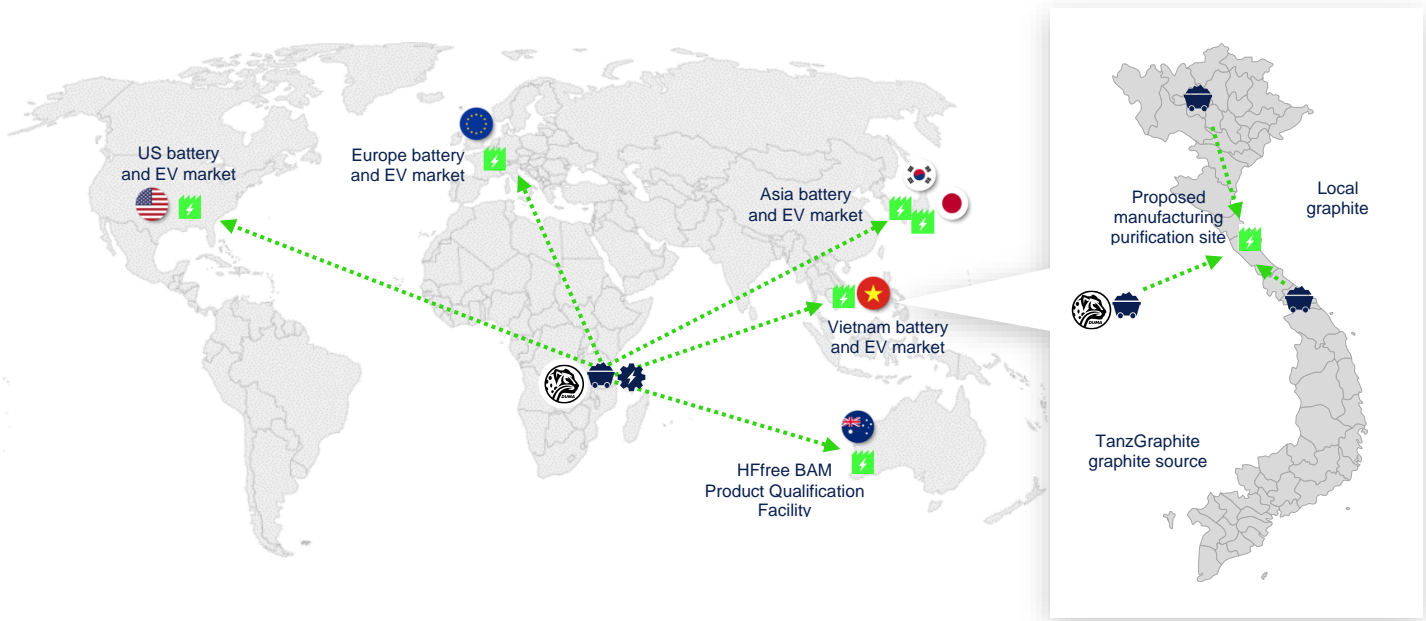
EcoGraf will evaluate the potential to combine a localised graphite material supply in Vietnam with future feedstock from its Epanko Graphite Project in Tanzania.

The ability to incorporate local BAM feedstock offers numerous advantages through lower production and transport costs. The potential also exists to combine the Company's Epanko graphite with the Vietnam material to develop a scalable localised supply chain.

The Company is advancing the development of its Epanko Graphite Project in Tanzania, recently announcing the completion of its Tanzanian Mechanical Shaping Study to produce unpurified battery anode material for the lithium-ion battery market (Refer ASX announcement *Independent Study Confirms Highly Attractive Mechanical Shaping Opportunity* 19 September).

Agreement

Under the agreement EcoGraf will support VinES with its graphite expertise and US patented battery anode material processing technology and VinES will provide its battery materials supply chain logistics, in-country expertise, manufacturing and construction capability in Vietnam.



The agreement provides for a phased evaluation program under which VinES and EcoGraf will initially assess and qualify local Vietnam graphite suppliers, with a view to incorporating domestic production into the supply chain.

Following the initial evaluation, a feasibility study will be undertaken on a proposed BAM facility development that includes regulatory approvals and key project agreements for feedstock supply, construction, operations, logistics, offtake, investment and financing to enable the parties to make a final investment decision. If positive, the parties will enter into commercial arrangements for development, construction and operation of the new BAM facility.

Development of Vietnam Battery Hub

Vietnam is positioning to develop a regional battery hub, given the emergence of EV OEM VinFast and lithium-ion battery maker VinES, leveraging the country’s competitive cost structure, infrastructural advantages, central geographical location and favourable investment policies.

Originally established with a mission to support VinGroup’s electric car business arm (VinFast) on battery supply, VinES has evolved throughout the past 2 years and become an integrated clean energy solutions provider with complete supply chain, giga-manufacturing scale, proprietary technologies and a diverse product portfolio serving multiple markets, the only Company of its kind in Southeast Asia.



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Vietnam

Vietnam is a rising economic force in Southeast Asia and is viewed as a favourable battery manufacturing hub which has attracted interest from the US Government (<https://www.state.gov/united-states-and-vietnam-continue-cooperation-on-energy-security/>).

The country has active pro-investment and trade policies, being a signatory to 18 active and planned, bilateral and multilateral Free Trade Agreements, including the Trans-Pacific Partnership (CPTPP) in which Australia is also a signatory.

Vietnam has well developed road, rail and river transportation systems, as well as a large hydro-electric, solar and wind power generation industry.

EcoGraf Managing Director, Mr. Andrew Spinks stated *“Our team is excited by the opportunity as Vietnam has excellent potential to host an integrated anode materials supply chain and be a regional hub for anode material manufacturing. Our previous feasibility work on Vietnam indicated very competitive cost structures, high ESG credentials and attractive investment policies.*

We are delighted to be partnering with VinES, a leading lithium-ion battery maker in Vietnam who shares our vision and values. More importantly, our businesses are highly complementary and our cooperation should allow both parties to strengthen our position in the electric vehicle battery material supply chain. We look forward to working with VinES to develop a highly cost competitive operation with compelling ESG credentials in Vietnam.”

VinES CEO, Ms. Pham Thuy Linh stated *“Establishing an integrated and localised battery supply chain is our key focus to build a strong foundation for VinES’s sustainable growth. We are pleased to be partnering with EcoGraf, a leading diversified battery anode company with proprietary environmentally friendly anode making technologies. EcoGraf’s long established expertise in graphite and cutting-edge low emission purification technology are particularly complementary to our business. Having a potential battery anode material facility near our existing operations in Vietnam not only significantly enhances VinES’ operational synergy and flexibility, but it also demonstrates that Vietnam is an advantageous destination for battery supply chain partners to set their manufacturing facilities.”*

The execution of this agreement marks another milestone in EcoGraf’s journey to become a vertically integrated battery anode material producer and is consistent with the Company’s pathway to development through collaboration with EV, battery and anode manufacturers to support localised manufacturing developments in Europe, Asia and North America.

The Company’s balance sheet remains solid with cash at 30 June 2023 of \$38.6m and nil debt, providing the flexibility to accelerate our development activities. EcoGraf is also engaged in evaluating other locations to support the expected transition to new manufacturing hubs in North America, Europe and Asia.

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

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About VinGroup and VinES Energy Solutions

VinES Energy Solutions, a member of VinGroup, specialises in R&D and the manufacturing of advanced batteries for mobility and energy storage applications. Its battery cell, module, and pack R&D and manufacturing capabilities ensure the delivery of advanced battery that meet the safety and quality standards required for EV/ ESS and other energy applications. In addition, VinES has established partnerships with some of the world leading battery technology companies to provide full coverage as a transformative energy solution provider. ssLearn more at <https://vines.net.vn>

Established in 1993, VinGroup is one of the leading private conglomerates in the region, and currently focuses on three main areas: Technology and Industry, Services, and Social Enterprise. Find out more at <https://www.vingroup.net/en>

About EcoGraf

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

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

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

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

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