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ASX ANNOUNCEMENT

first graphene
The world's leading graphene company

9 March 2021

MoU with Gerdau S.A. to Open Up American Markets to PureGRAPH®

HIGHLIGHTS

- **Gerdau S.A. to be the exclusive distributor for FGR's range of products in defined territories and end applications in the Americas.**
- **Distribution territories will include Brazil, South America and potentially the USA**
- **NYSE-listed Gerdau (NYSE:GGB) is Brazil's largest steel producer and one of the leading producers of long steel in the Americas and of special steel in the world,**

First Graphene Ltd (ASX: "**FGR**" or "the **Company**"), is pleased to announce it has entered into a Memorandum of Understanding ("**MoU**") with Gerdau S.A. ("**Gerdau**") for Gerdau to sell FGR's graphene products and develop applications with these products in mutually agreed economic sectors and business areas.

Initially, the MoU is non-binding and allows the two companies to negotiate terms towards a binding agreement that will establish;

(i) an initial Commercial Agreement for distribution and collaboration, and

(ii) rules for a potential investment and share acquisition from Gerdau into FGR, if predetermined sales and investment targets are achieved by Gerdau.

The Commercial Agreement will comprise an exclusivity for Gerdau to sell FGR graphene products and develop applications with these products in mutually agreed economic sectors and business areas.

The exclusivity to be defined will be in terms of geography, market and end application or use, defined as Territories for sale in the Americas region

The two companies will collaborate to introduce graphene materials and graphene applications into the Americas market. FGR will support Gerdau with its extensive application knowledge and technology focused on graphene dispersion in different matrixes and materials. In turn, Gerdau will invest and develop end-use application in the regions to which it is awarded distribution.

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First Graphene CEO Mike Bell said the association with Gerdau was a strong indication of the international attention garnered by the Company.

"*We are pleased Gerdau recognises the enormous commercialisation opportunities graphene offers industry with the creation of a dedicated graphene division. Gerdau's recognition of First Graphene as a key global producer is testament to the advances made by First Graphene in the commercialisation of this disruptive nanomaterial. The association with Gerdau, a world leader in the long steel and specialty steel markets with a very strong position in the Americas, will undoubtedly accelerate the use of graphene across a wide range of applications*."

Gerdau Graphene Business Unit General Manager *Alexandre Corrêa,* added "We are enthused about the opportunities available to Gerdau in the graphene industry in the Americas. We have selected First Graphene as a partner because of their robust supply capability, product quality and technical expertise."

About Gerdau, a 120-year-old company

Gerdau is Brazil's largest steel producer, a leading producer of long steel in the Americas and one of the world's leading suppliers of special steel. In Brazil, it also produces flat steel and iron ore for its own consumption. In January this year, Gerdau completes 120 years of a history marked by strength, contribution to development and a legacy for a society in constant evolution. Guided by the purpose of empowering people who build the future, the company operates in 10 countries and has over 30,000 direct and indirect employees. The largest recycling company in Latin America, Gerdau uses scrap as an important input: 73% of the steel it produces is made from scrap. Every year, Gerdau transforms 13 million tonnes of scrap into various steel goods. Gerdau's shares are listed on the São Paulo (B3), New York (NYSE) and Madrid (Latibex) stock exchanges.

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About First Graphene Ltd (ASX: FGR)

First Graphene Ltd. is the leading supplier of high-performing, graphene products. The company has a robust manufacturing platform based upon captive supply of high-purity raw materials and an established 100 tonne/year graphene production capacity. Commercial applications are now being progressed in composites, elastomers, fire retardancy, construction and energy storage.

First Graphene Ltd. is publicly listed in Australia (ASX:FGR) and has a primary manufacturing base in Henderson, near Perth, WA. The company is incorporated in the UK as First Graphene (UK) Ltd. and is a Tier 1 partner at the Graphene Engineering and Innovation Centre (GEIC), Manchester, UK.

PureGRAPH® Range of Products

PureGRAPH® *graphene powders are available in tonnage volumes with lateral platelet sizes of 20µm, 10µm and 5µm. The products are high performing additives, characterised by their high quality and ease of use.*

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With authority of the board, this announcement has been authorised for release, by Peter R. Youd Director, Chief Financial Officer and Company Secretary.