



Syrah achieves first fully integrated production of Active Anode Material at Vidalia

Highlights

- Syrah achieves first fully integrated production of on-specification natural graphite Active Anode Material (“AAM”) at Vidalia, USA
- Syrah’s integrated operation at Vidalia, which uses natural graphite from Balama Graphite Operation, is the only vertically integrated and commercial scale AAM supply source outside China
- Major milestone supports ongoing qualification testing, commercial engagements and continued progress towards a Final Investment Decision for expansion of production capacity at Vidalia
- Syrah is the most progressed large scale, vertically integrated natural graphite AAM supply option outside China.

Syrah Resources Limited (ASX: SYR) (“Syrah” or “Company”) is pleased to announce the first fully integrated production of Active Anode Material at its AAM Project in Vidalia, USA (“Vidalia”), following the installation and commissioning of a commercial scale furnace. The milestone represents a major achievement for Syrah in its strategy to become a large scale, vertically integrated producer of natural graphite AAM. Thermal treatment of coated anode precursor in a furnace is the final stage of processing natural graphite to produce an anode material for direct use in lithium-ion batteries.

Syrah’s wholly-owned and integrated spherical, purification and furnace operation at Vidalia, which uses natural graphite from Balama Graphite Operation (“Balama”), is the only vertically integrated and commercial scale AAM supply source outside China.

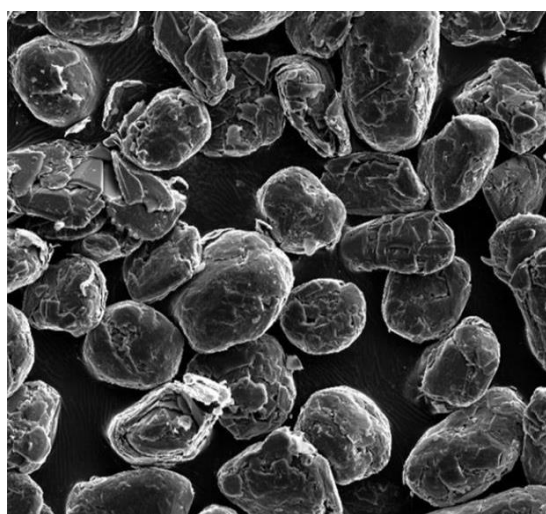
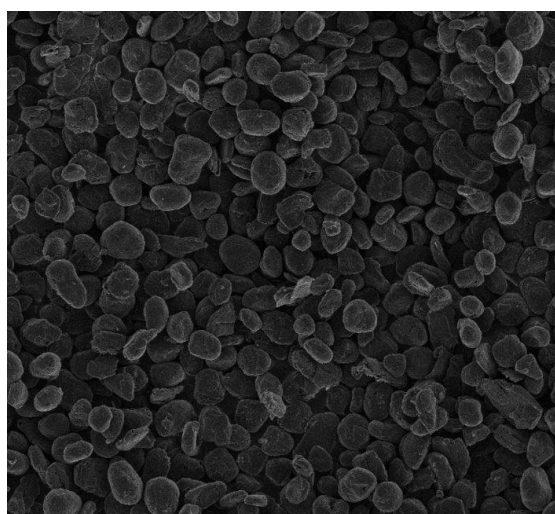


Figure 1: Scanning Electron Microscope (SEM) images of Vidalia AAM from furnace.

Syrah's fully integrated AAM has the same target specification as toll treated AAM produced from Vidalia anode precursor last year. The Company is dispatching this material to potential battery manufacturer and OEM customers to advance qualification processes and support commercial engagements.

Syrah Managing Director and CEO, Shaun Verner, said: "Syrah is committed to becoming a pre-eminent, large scale supplier of natural graphite AAM. The fully integrated production of on-specification AAM at Vidalia confirms our position as the most progressed vertically integrated natural graphite AAM supply option outside of China for USA and European battery makers and OEMs."

Syrah is progressing initial Detailed Design of the planned expansion of production capacity at Vidalia and its evaluation of potential strategic and financial partnership options, including customer commitments and funding. A Final Investment Decision for the construction of a 10ktpa AAM facility at Vidalia is planned during H2 2021, subject to end customer commitments and strategic / financial partnerships.

The progress at Vidalia and its vertical integration with Balama is a unique value proposition to Governments, auto OEMs and battery manufacturers. Specifically: scale; independence and co-location with USA battery production; critical mineral security; and Environmental, Social and Governance ("ESG") auditability back to the source.

This release was authorised on behalf of the Syrah Board by

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About Syrah Resources

Syrah Resources (ASX code: SYR) is an Australian Stock Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Battery Anode Material Project in the United States. Syrah's vision is to be the world's leading supplier of superior quality graphite products, working closely with customers and the supply chain to add value in battery and industrial markets.

Forward Looking Statement

This document contains certain forward - looking statements. The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan", "targets" and other similar expressions are intended to identify forward - looking statements. Forward - looking statements in this document include statements regarding: the timetable and outcome of the equity offer and the use of the proceeds thereof; the capital and operating costs, timetable and operating metrics for the Balama Project; the viability of future opportunities such as spherical graphite, future agreements and offtake partners; future market supply and demand; and future mineral prices. Indications of, and guidance on, future earnings and financial position and performance are also forward - looking statements. Forward - looking statements, opinions and estimates provided in this document are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

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