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Syrah Announces Equity Capital Raising and US Government Loan Developments

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Highlights

- **Syrah to raise approximately A$70 million (US$46 million[1]) through a fully underwritten institutional placement and 1 for 5.42 pro rata accelerated non-renounceable entitlement offer**
- **Net proceeds of the Equity Raising will be used to fund Vidalia operating costs, DOE loan reserves, and general corporate expenses, which provide time for Syrah to optimise commercial positioning with customers**
- **AustralianSuper, Syrah's largest shareholder, with a shareholding of ~32.5% in Syrah, has committed to take up its full entitlement under the Institutional Entitlement Offer, and to sub-underwrite the Institutional Entitlement Offer and Retail Entitlement Offer up to ~A$30 million**
- **Two-year forbearance on DOE loan events of default and US$16 million in principal and interest payments deferred to maturity date**
- **Extension of DFC loan waiver of certain events of default enabling further disbursements to fund Balama**

Syrah Resources Limited (ASX: SYR) ("**Syrah**" or the "**Company**") announces it is undertaking a fully underwritten institutional placement and pro rata accelerated non-renounceable entitlement offer to raise a total of A$70 million (US$46 million[2]) (collectively, the "**Offer**" or the "**Equity Raising**"). The Equity Raising will increase Syrah's pro-forma cash position to US$87 million, based on the Company's cash position of US$43 million as at 30 June 2025 and proceeds of the Offer (net of transaction costs of the Offer).

Furthermore, Syrah has entered into a forbearance agreement with US Department of Energy ("**DOE**") in relation to certain events of default with the DOE loan ("**Forbearance Agreement**"). Under the Forbearance Agreement, DOE will not exercise nor enforce remedies for a period of two years from 30 July 2025 in connection with existing and certain future events of default and will defer US$16 million in quarterly principal and interest payments, which would otherwise be due within the two-year period from 30 July 2025, to the maturity date in April 2032.

US International Development Finance Corporation (**"DFC**") has extended a waiver of the events of default under the Company's DFC loan, subject to certain conditions. Further DFC loan disbursements are committed and available to fund working and sustaining capital of Balama operations. Syrah is planning for a US$6.5 million disbursement to be completed in August 2025 and a US$4.5 million disbursement to be completed in October 2025 to fund operations of the Balama Graphite Operation in Mozambique ("**Balama**")[3].

The Equity Raising, DOE Forbearance Agreement, extension of DFC loan waiver and further DFC loan disbursements together support the Company's pathway to sustainable cash flow from operations and provide time for Syrah to optimise commercial positioning with customers.

Syrah Managing Director and CEO Shaun Verner commented, *"The Equity Raising alongside arrangements with DOE and DFC will enable the Company to preserve optionality with respect to Balama's operating mode and support our path to product qualification and commercial sales at Vidalia."*

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[1] A$ proceeds converted into US$ based on the USD/AUD exchange rate of 0.6521 as of 28 July 2025.
[2] See footnote 1.
[3] Refer to the Investor Presentation released to ASX today for conditions for further disbursements, adjusted terms of these further disbursements and risk factors.

United States Government Loan Developments

DOE Loan Update and Forbearance Agreement

Syrah and Syrah's wholly owned subsidiary, Syrah Technologies LLC ("**Syrah Technologies**"), have entered into a Forbearance Agreement with DOE in relation to certain events of default under the DOE loan. The Forbearance Agreement is effective on the DOE loan for a period of two years from 30 July 2025 ("**Forbearance Period**") subject to certain covenants being met and no earlier termination due to the occurrence of certain termination events. Key terms of the Forbearance Agreement are:

- DOE will not exercise nor enforce remedies against Syrah in connection with existing events of default identified in the Forbearance Agreement and certain events of default that may arise during the Forbearance Period;
- quarterly loan principal and interest payments of US$16 million in total, which would otherwise be due during the Forbearance Period, is deferred to the April 2032 maturity date; and
- US$1.2 million forbearance fee payable by Syrah to DOE at the end of the Forbearance Period.

In conjunction with the Forbearance Agreement, Syrah and DOE have agreed to the following amendments to the DOE loan:

- an additional interest rate of 0.5% on principal outstanding (including on deferred principal and interest during the Forbearance Period), fixed over loan life, and payable quarterly following the Forbearance Period, which increases the all-in fixed interest rate on the DOE loan to 4.48%; and
- principal repayment due on the April 2032 maturity date increased by US$16 million.

There is no change in the schedule of mandatory repayments of the DOE loan after the Forbearance Period and before the April 2032 maturity date.

Further details of the Forbearance Agreement and risk factors are set out in the Investor Presentation released to the ASX today.

DFC Loan Extended Waiver and Further Disbursement

In January 2025, Syrah and DFC agreed to a waiver of the events of default under the DFC loan associated with the interruption to operations at Balama[4]. Syrah and DFC have agreed to an extension to this waiver, which is a key requirement for further disbursements from the DFC loan to be completed.

Payment of the first half yearly interest payment under the DFC loan, which was due in mid-May 2025, was deferred to November 2025. Half yearly interest payments will commence from November 2025 and can be paid from DFC loan proceeds. Half yearly principal repayments will commence from November 2027. No principal payments are due on the DFC loan until November 2027.

Further DFC loan disbursements are committed and available to the Company to fund working and sustaining capital of Balama operations, current TSF expansion, and vanadium development capital. Syrah is planning for a further US$6.5 million disbursement to be completed in August 2025 and, pending a restructure of the DFC loan, a US$4.5 million disbursement to be completed in October 2025. Further disbursements from the DFC loan commitment up to US$75 million are subject to new conditions, including a loan restructure in the September 2025 quarter. Further DFC loan disbursements are subject to an additional interest rate of 2.0% over loan life, increasing the all-in interest rate to DFC's applicable cost of funding plus 6.0%, and a new 1.0% advance fee. There is no certainty that further disbursements of the DFC loan will be completed.

Further details of the extended waiver, conditions for further disbursements, adjusted terms of these further disbursements from the DFC loan and risk factors are provided in the Investor Presentation released to the ASX today.

[4] Refer ASX announcement from 7 January 2025.

Equity Raising

The Equity Raising comprises:

- a fully underwritten placement of new fully paid ordinary shares ("**New Shares**") to eligible institutional shareholders and new institutional investors ("**Placement**") to raise approximately A$20 million; and
- a fully underwritten 1 for 5.42 pro rata accelerated non-renounceable entitlement offer of New Shares to eligible shareholders (the "**Entitlement Offer**") to raise approximately A$50 million.

The Equity Raising will be at a fixed price of A$0.26 per New Share (the "**Offer Price**"), which represents a discount of:

- 31.6% to Syrah's closing price of A$0.38 per share on the ASX as at Tuesday, 29 July 2025; and
- 26.8% to the theoretical ex-rights price ("**TERP**")[7] of A$0.36 per share as at Tuesday, 29 July 2025.

Approximately 269.2 million New Shares will be issued under the Placement and Entitlement Offer, representing approximately 25.8% of existing Syrah shares on issue.

AustralianSuper Pty Ltd as trustee of AustralianSuper ("**AustralianSuper**"), Syrah's largest shareholder, with a shareholding of ~32.5% in Syrah[8], has committed to:

- take up its full entitlement under the Institutional Entitlement Offer, being ~A$16 million; and
- sub-underwrite the Institutional Entitlement Offer and Retail Entitlement Offer up to ~A$30 million[9].

On completion of the Equity Raising, AustralianSuper's resultant shareholding in Syrah will be between 30.5% and 39.3%, depending on the final take up in the Institutional and Retail Entitlement Offer[10].

As a result of the Equity Raising, the conversion price of AustralianSuper's Series 4, 5 and 6 convertible notes ("**Series 4, 5 and 6 Notes**") is expected to be adjusted to A$1.3764 (previously A$1.4777)[11].

Syrah Directors John Beevers, Sara Watts and Shaun Verner intend to participate in the Entitlement Offer in respect of shares they hold[12].

Jarden Australia Pty Ltd is acting as sole lead manager, underwriter and bookrunner to the Equity Raising. Ashurst is acting as legal adviser to the Company.

Rationale for the Equity Raising and Use of Proceeds

The Equity Raising, Forbearance Agreement, extension of DFC loan waiver and further DFC loan disbursements together support the Company's pathway to sustainable cash flow from operations and provide time for Syrah to optimise commercial positioning with customers.

Proceeds of the Equity Raising, and Syrah's existing cash balance, will be used to fund:

- Vidalia operating costs (net of revenues), with DOE's approval;
- Vidalia operating reserve account to a revised minimum level associated with the Forbearance Agreement, with such funds not available to fund Vidalia operating costs or to Syrah as unrestricted cash in the medium-term;
- Transaction costs of the Offer; and
- General corporate purposes.

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[7] TERP is the theoretical ex-rights price at which New Shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which New Shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal TERP.
[8] Syrah shareholding of AustralianSuper and associates (direct and indirect holdings) as at 25 July 2025. Refer to slide 39 of the Investor Presentation released to the ASX today for further details of AustralianSuper's shareholding in Syrah, including following the potential future conversion of Series 4, 5 and 6 convertible notes.
[9] AustralianSuper will receive a fee of 1% (including GST) on the value of final number of New Shares sub-underwritten. The sub-underwriting is conditional, with the conditions including the underwriting agreement with the lead manager not being terminated and completion of the Offer.
[10] See footnote 8.
[11] Refer to ASX release from 27 April 2023. Adjustment is effective upon the issue of New Shares.
[12] Directors reserve the right to participate for their full or partial entitlement.

Placement

Syrah is undertaking a fully underwritten Placement of New Shares to eligible institutional shareholders and new institutional investors to raise approximately A$20 million. The Placement will be conducted concurrently with the Institutional Entitlement Offer (as described below).

New Shares offered under the Placement will be offered at the Offer Price of A$0.26 per share, and will result in the issue of 76.9 million New Shares. The New Shares issued under the Placement represent approximately 7.4% of the Company's current ordinary shares outstanding, and will be issued pursuant to Syrah's available placement capacity under ASX Listing Rule 7.1.

Entitlement Offer

Syrah will offer eligible shareholders the right to participate in the Entitlement Offer to raise approximately A$50 million. Eligible shareholders will have the opportunity to apply for 1 New Share for every 5.42 existing Syrah shares held at the Record Date (being 7.00pm (AEST) on Friday, 1 August 2025). New Shares under the Entitlement Offer will be offered at the Offer Price of A$0.26 per share (the same Offer Price as the Placement).

The Entitlement Offer is non-renounceable, and entitlements will not be tradeable or otherwise transferrable.

Institutional Entitlement Offer

Eligible shareholders will be invited to participate in the accelerated institutional component of the Entitlement Offer (the "**Institutional Entitlement Offer**"), which is being conducted today, Wednesday, 30 July 2025 and closes Thursday, 31 July 2025, along with the Placement.

Under the Institutional Entitlement Offer, eligible institutional shareholders can choose to take up all, part or none of their entitlement to New Shares. Entitlements not taken up under the Institutional Entitlement Offer will be offered by the lead manager to eligible institutional investors at the Offer Price concurrently with the Institutional Entitlement Offer.

Retail Entitlement Offer

The retail component of the Entitlement Offer (the "**Retail Entitlement Offer**") will be open from 10.00am (AEST) on Wednesday, 6 August 2025 to 5.00pm (AEST) Wednesday, 20 August 2025, to eligible retail shareholders with a registered address in Australia or New Zealand, as at the Record Date.

Eligible retail shareholders who take up their full entitlement under the Retail Entitlement Offer will also be eligible to subscribe for additional New Shares over and above their entitlement, up to a maximum of 100% of their entitlement (subject to the overall level of participation in the Entitlement Offer and at the discretion of Syrah's Board of Directors).

Further details about the Retail Entitlement Offer will be set out in the retail offer booklet, which Syrah expects to lodge with the ASX and make available to eligible shareholders on Wednesday, 6 August 2025. The retail offer booklet will also enclose a personalised entitlement and acceptance form and other details about how to apply for New Shares in the Retail Entitlement Offer.

Indicative Timetable

The indicative timetable for the Equity Raising is set out below.

Event	Date
Trading Halt	Wednesday, 30 July 2025
Announcement of Offer	Wednesday, 30 July 2025
Placement and Institutional Entitlement Offer opens	Wednesday, 30 July 2025
Placement and Institutional Entitlement Offer closes	Thursday, 31 July 2025
Trading Halt Lifted	Friday, 1 August 2025

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Announcement of the results of Institutional Entitlement Offer	Friday, 1 August 2025
Entitlement Offer record date	7pm (AEST), Friday, 1 August 2025
Retail Entitlement Offer opens and Booklet dispatched	Wednesday, 6 August 2025
Settlement of Placement and Institutional Entitlement Offer	Wednesday, 6 August 2025
Issue and Quotation of New Shares under the Placement and Institutional Entitlement Offer	Thursday, 7 August 2025
Retail Entitlement Closing Date	5pm (AEST), Wednesday, 20 August 2025
Settlement of Retail Entitlement Offer	Monday, 25 August 2025
Issue of New Shares under the Retail Entitlement Offer	Tuesday, 26 August 2025
Normal trading of New Shares under the Retail Entitlement Offer	Wednesday, 27 August 2025

Additional Details

Further details of the Equity Raising are set out in the Investor Presentation released to the ASX today. The Investor Presentation contains important information that shareholders and investors should consider, including information about risk factors and the foreign selling restrictions with respect to the Equity Raising.

Syrah's Managing Director and Chief Executive Officer Shaun Verner will host a conference call at 12pm (midday) AEST on Wednesday, 30 July 2025. The details of the conference call are set out below.

To pre-register for the conference call, please follow the link below. You will be given a unique pin number which is to be quoted when dialling into the call. Participants are advised to register for the conference in advance by using the Diamond Pass link to avoid delays in joining the call directly through the operator.

https://s1.c-conf.com/diamondpass/10049215-s8fhsy.html

Alternatively, you may dial in with the following details and provide the Conference ID to an operator.

Conference ID: **10049215**

Participant Dial-in Numbers:

Australia:	1800 558 698
Australia Local:	+61 2 9007 3187
New Zealand	0800 453 055
China:	4001 200 659
France:	0800 981 498
Germany:	0800 182 7617
Hong Kong:	800 966 806
India:	0008 0010 08443
Japan:	005 3116 1281
Singapore:	800 101 2785
South Africa:	0800 999 976
South Korea:	00798 14 206 3275
Taiwan:	0080 112 7397
UAE:	8000 3570 2705
UK:	0800 051 8245

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USA/Canada: 1 855 881 1339
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This release was authorised on behalf of the Syrah Board by

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Listed on the Australian Securities Exchange today

About Syrah

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

Forward Looking Statement

This announcement should be read subject to the disclaimer in the Investor Presentation released by Syrah to the ASX today.

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. 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.

Forward looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This document contains such statements that are subject to risk factors associated with the mineral and resources exploration, development and production industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: dependence on commodity prices, availability of funding, impact of inflation on costs, exploration risks, including the risks of obtaining necessary licences and diminishing quantities or grades of reserves, risks associated with remoteness, environmental regulation risk, currency and exchange rate risk, political risk, war and terrorism and global economic conditions, as well as earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward looking statements in this document will actually occur. Actual results, performance or achievement may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. The forward looking statements in this document speak only as of the date of this document. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward looking statements in this document to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this document will under any circumstances create an implication that there has been no change in the affairs of Syrah since the date of this document. About Syrah Resources Syrah Resources (ASX code: SYR) is an Australian Securities Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Active Anode Material Facility in the United States. Syrah's vision is to be the world's leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial markets.