



SYRAH SALES AND MARKETING UPDATE

Syrah Resources Limited (**ASX: SYR**) ("Syrah" or "Company") provides the following updates to its sales and marketing agreements for natural graphite from its Balama operations in Mozambique ("Balama").

Highlights

- Signing of a first spot sales agreement with Yichang Xincheng Graphite Co Ltd ("Yichang Xincheng"), a leading global producer of specialty expandable graphite.
- Signing of a binding three-year agreement with CS Additive GmbH & Co ("CS Additive"), a leading producer of speciality carbon and sulphur products, for a minimum of 6,000 tonnes in 2018, with volume increasing to 2020.
- Confirmation of an agency appointment in India with Magus Marketing Pvt Ltd ("Magus Marketing"), where orders have already been received and scheduled for shipment.
- Syrah restricting activation of certain elements of Chalico offtake.

Rob Schaefer, Chief Commercial Officer said, "We are pleased to announce additional sales contracts providing further diversification across geography and end use markets, in line with our sales and marketing strategy. The binding spot sales agreement with Yichang Xincheng, a leading global producer of specialty expandable graphite products, is another important import of Balama graphite into China. Other agreements have also been signed with CS Additive in Germany for industrial purposes and an agency agreement with Magus Marketing for distribution to the Indian subcontinent."

Rob Schaefer added, "Our first shipment to Yichang Xincheng is scheduled imminently. It is the intention and understanding, that subject to a successful initial spot shipment, a long term contract will then be agreed. The expandable graphite market is a key market for large and jumbo flake sizes (+80 and +50 mesh), has high growth potential, and is one of the highest value added uses for natural graphite."

Shaun Verner, Managing Director and CEO added, "As the Balama operations ramp up we continue to enter into further sales agreements. With the executive team's extensive marketing experience, we have demonstrated the ability to negotiate the first major imports of natural graphite into China and broaden our end market exposure, including supply into both the battery and expandable graphite sectors. As a result, we have made a decision not to activate certain elements of the Chalico offtake agreement including the minimum tonnage supply requirement. This allows the Company flexibility to develop the sales book into the Chinese industrial market in a manner better aligned with our strategic objectives. Our 2018 production guidance of 160,000 to 180,000 tonnes based on expected demand remains unchanged."

**Appointment of General Manager, Marketing**

Syrah is pleased to welcome Ms Simone Diem as General Manager Marketing in Q1 2018. Simone brings almost 10 years of experience in international graphite trading to the Company, most recently as the lead buyer for RHI Magnesita N.V., the largest buyer of graphite for the refractory and industrial markets globally. Simone will be based in Syrah's Dubai Marketing hub.

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About Syrah Resources

Syrah Resources Limited (ASX code: SYR) is an Australian-based industrial minerals and technology company. Syrah is currently constructing the Balama Graphite Project (Balama) in Mozambique, with construction substantially complete. Commissioning activities commenced in May 2017 and Syrah produced its first saleable flake graphite product in November 2017. Balama will be the leading global producer of high purity graphite. Balama production is targeted to supply traditional industrial graphite markets and emerging technology markets. Syrah is also developing a downstream Battery Anode Material plant in Louisiana, USA. Syrah has successfully completed extensive product certification test work with several major battery producers for the use of Balama spherical graphite in the anode of lithium ion batteries. For further information, visit www.syrahresources.com.au