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Syrah Resources Limited

AGM Presentation – November 2014

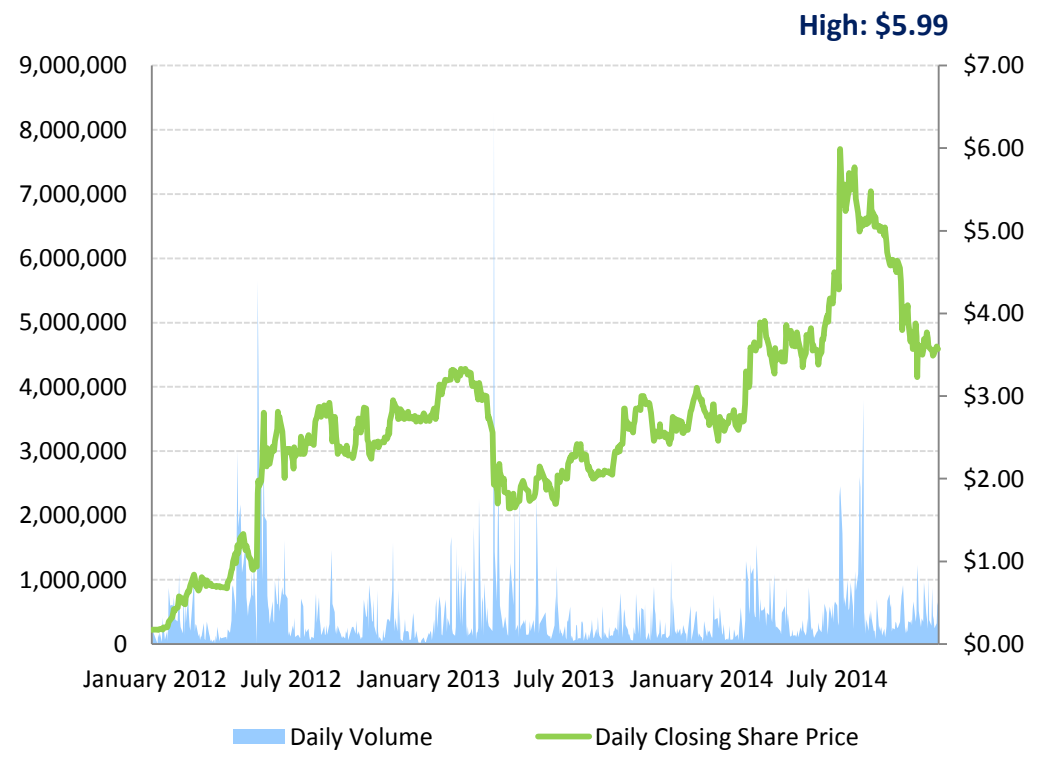
Image: Balama Project camp site



Overview

- Australian Stock Exchange listed
- Head office based in Melbourne
- Market capitalisation (undiluted) of A\$623.7 million at A\$3.80 per share as at 21 November 2014
- 164,135,076 shares on issue
- 5,460,005 options on issue
- ~\$24.5m cash on hand as at 30 September 2014
- Directors' direct and indirect interests total 8.85% of current shares on issue

Syrah Price and Volume – since Jan 2012





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Review of 2014

- Inferred Resources upgraded to Measured and Indicated status using a 13% TGC cutoff
- 25 year + 25 year extension Mining Licence granted
- Draft offtake and marketing agreements with Chalieco, Asmet and Marubeni
- Separate pilot plants for both industrial graphite and battery grade spherical graphite established
- Vanadium scoping study finalised and 99.9% V₂O₅ vanadium successfully produced
- Battery grade spherical graphite successfully produced
- Management and Board strengthened as Syrah moves towards production
- Recarburiser testing currently underway (**expected end of Q4 2014**)
- Graphite DFS currently underway (**expected end of Q4 2014**)
- DUAT (land access) and environment approval currently underway (**expected Q1 2015**)
- Finalisation of project financing and offtake agreements (**expected Q1 2015**)



New Board of Directors and Management Team

Jim Askew
Non-Executive Chairman

- Over 35 years international experience as a Director and/or Chief Executive Officer for a wide range of Australian and international publicly listed mining, mining finance and other mining related companies
- Continuous involvement with the African Mining Industry since 1985
- Has served as a Board member of over 30 publicly listed resource companies, including currently Oceana Gold, Evolution Mining and Asian Mineral Resources

Tolga Kumova
Managing Director

- Co-founder of Jacana Resources (which was subsequently vended into Syrah Resources)
- 15 years experience in stockbroking, corporate finance and corporate restructuring
- Specialised in Initial Public Offerings and capital requirements of mining focused companies

Rhett Brans
Non-Executive Director

- Operated a consultancy providing project management services to the mining Industry for the past 20 years
- Over 35 years experience in the design and construction of mineral processing facilities
- Extensive African experience (Perseus Mining and Tiger Resources)

José Caldeira
Non-Executive Director

- Pre-eminent legal and regulatory professional in Mozambique with over 20 years experience
- Currently a senior partner and head of the Corporate Law Practice Group at Sal & Caldeira Advogados, Lda, a leading law firm in Mozambique
- Extensive experience in supplying legal and regulatory consulting services in natural resources, foreign investment, infrastructure, civil, administrative, commercial and labour law, as well as litigation

Sam Riggall
Non-Executive Director

- Almost 15 years of experience in mining project generation and evaluation, business development and capital market transactions
- Previously held various executive roles at Rio Tinto and Ivanhoe Mines including Chief Negotiator for Rio Tinto in relation to the Investment Agreement for the US\$8 billion Oyu Tolgoi Project in Mongolia
- Currently Non-Executive Chairman of Clean TeQ Holding

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Management and Technical Team

Michael Chan
General Manager

- ❑ 35 years industry experience in senior operations, project development and commercial roles
- ❑ 10 years of extensive rare earth project experience including complex metallurgical flow sheet development.
- ❑ Previous roles include General Manager of Project Development at Kimberly Rare Earths, Procurement/Supply Chain Manager at Arafura Resources and Commercial Manager for Lynas Corporation Malaysian Operations

Jeff Sterling
Oversight Manager

- ❑ 25 years of mechanical engineering experience in infrastructure engineering, construction and peer review
- ❑ Currently Managing Director of Intech Engineers, an independent Australian engineering firm with project experience involving Fortescue Metals, Glencore, Atlas Iron, Western Areas and CopperCo / CST Mining

Ian Stewart
Project Manager

- ❑ Over 20 years of experience in mining engineering, including on projects transitioning from feasibility to construction to production
- ❑ Previous Project Manager roles with Centamin Plc, Crew Gold and the Klipspringer diamond mine in South Africa

Ricardo Rodrigues
Construction Manager

- ❑ 15 years of experience in construction management and fluent in Portuguese
- ❑ Previous Construction Manager roles with Mott Macdonald and Mineral Deposits

Andrew Hickey
Logistics Manager

- ❑ Over 21 years of experience in logistics management
- ❑ Previous roles include administration and logistics manager at Alcoa of Australia, Operations Manager at Trafigura and contracts and logistics manager at Oxiana (now OZ Minerals)

Sait Uysal
Marketing Manager

- ❑ Over 7 years of experience in purchasing and marketing of graphite
- ❑ Previous purchasing and marketing roles with Bitron Electromechanics, Karabacak Mining and Black Mountain Minerals



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Balama is an unique, world class resource

- One of the largest graphite deposits globally
 - 1.15Bt of Inferred graphite resource at 10.2% TGC ^[1] and 0.23% V₂O₅
 - 117Mt of contained graphite and V₂O₅
 - Large high grade areas (>15% TGC) to be mined first
- Largest vanadium deposit in the world
 - 2.7Mt of resource
 - ~4 times larger than Glencore's Rhovan deposit, the world's largest vanadium mine in South Africa
- Targeting significant Proven & Probable reserves as part of the Graphite DFS

Depth	Resource Category	Mt	TGC %	V ₂ O ₅ %	Contained	
					Graphite (Mt)	V ₂ O ₅ (t)
Balama West - High Grade Ativa Zone						
0-100	Measured	10.59	19.9	0.40	2.11	42,360
100-300	Measured	0.97	19.3	0.39	0.19	3,783
TOTAL		11.56	19.8	0.40	2.29	46,143
0-100	Indicated	1.43	19.8	0.41	0.28	5,863
100-300	Indicated	0.56	19.2	0.41	0.11	2,296
TOTAL		1.99	19.6	0.41	0.39	8,159
0-100	Inferred	13.16	20.6	0.35	2.71	46,060
100-300	Inferred	24.61	19.5	0.38	4.80	93,518
TOTAL		37.77	19.9	0.37	7.51	139,578
Balama West - High Grade Mualia Zone						
0-100	Inferred	33.59	17.8	0.46	5.98	154,514
100-300	Inferred	82.95	17.6	0.46	14.60	381,570
TOTAL		116.54	17.7	0.46	20.58	536,084
Balama East - High Grade Mepiche Zone						
0-100	Measured	25.14	16.4	0.44	4.12	110,616
100-300	Measured	0.82	16.9	0.45	0.14	3,690
TOTAL		25.96	16.4	0.44	4.26	114,306
0-100	Indicated	18.46	15.8	0.44	2.92	81,224
100-300	Indicated	9.92	16.2	0.47	1.61	46,624
TOTAL		28.38	15.9	0.45	4.52	127,848
0-100	Inferred	39.56	15.9	0.42	6.29	166,152
100-300	Inferred	120.40	16.0	0.43	19.26	517,720
TOTAL		159.96	16.0	0.43	25.55	683,872

[1] TGC = Total Graphitic Carbon

[2] Calculated by USGS (Source: Mineral Commodities Summaries 2012—USGS)



Infrastructure and logistics

■ Roads

- sealed roads almost all the way from port to Balama
- last 40 km is unsealed but currently being sealed
- only one culvert remains unfinished (expected in 2015)

■ Power

- installation of overhead power line and transformers completed with connection to the main line to be finalised shortly
- consultants engaged to conduct load survey and study
- plans for backup diesel power station in the DFS as a contingency for any shortfalls

■ Water

- 1 million litres of water has been contracted and allocated from the large regional Chipembe Dam, located 12 km away from Balama; application for 2 million m³ underway

■ Port

- ample capacity identified at the Port of Nacala which boasts a 600 m bulk berth and a 395 m container berth
- Port of Nacala is one of the larger ports in Mozambique and can handle over 100,000 containers a year
- four major shipping lines call on the Port of Nacala with regular liner services to all major developed countries

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Draft offtake and marketing agreements



- Affiliate of Chinalco, the world's 2nd largest alumina producer
- Statement of Sales Intent for 80,000 tpa of flake graphite
 - +50, +80, +100 and +150 US mesh material requested at 92% to 97% TGC
- Pricing negotiated quarterly
- Discussions currently underway to finalise terms for a binding agreement



- Global supplier of metallurgical consumables to the steel and iron foundry industries
- MOU for 100,000 to 150,000 tpa of graphite fines for recarburisers
- Price of US\$1,000/t over an initial 5 year period
- 2-3 tonne bulk sample currently being prepared for Asmet to undertake testing



- One of Japan's major integrated trading and investment conglomerates
- Pre-marketing of graphite samples for industrial and battery applications to customers in Korea and Japan
- Marubeni has close relationships with all the major Li-ion battery producers
- Li-ion batteries are a key component of the high growth electric vehicle and energy storage market



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Balama graphite recarburiser

- Syrah believes that graphite recarburisers produced from the Balama Project will allow it to substitute into the existing recarburiser market, displacing lower quality recarburisers due to:

- high carbon content and low impurities
- high carbon recovery and solubility in molten metal
- substantial size, expected low capital and operating costs
- potential to be a long term, consistent source of supply

- The estimated size for these recarburiser markets are as follows:

- steel making (Electric Arc Furnaces) – 600,000 tpa to 1 million tpa
- iron casting – over 2,000,000 tpa for gray and ductile iron combined

- Trial graphite pellets have been produced and samples sent to Brazil, China and USA to further optimise the result for the Graphite DFS



Trial Balama graphite recarburisers



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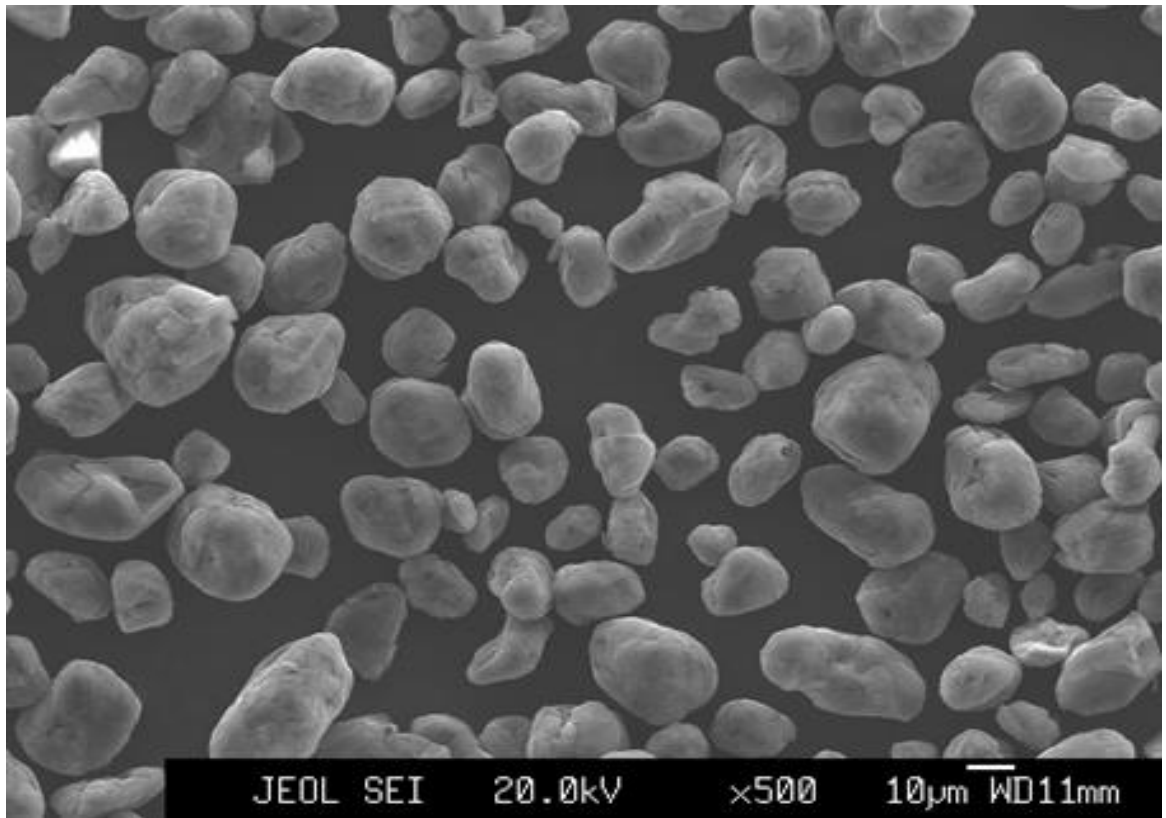
Balama spherical graphite

- Used in lithium ion (Li-ion) batteries which are a key component of electric vehicles (EVs) with emerging applications in energy storage
- EVs and energy storage are forecast to be high growth markets in the near future
- Pilot plant has successfully produced Li-ion battery grade spherical graphite (uncoated)
- Specifications are consistent with those of leading Chinese manufacturers
- Samples will be sent to anode producers for trial coating and electrochemical testing
- Samples will also be sent to all major Korean and Japanese battery producers through Marubeni
- Preliminary Economic Study (25,000 tpa scenario) will commence shortly
- Uncoated spherical graphite currently sells for US\$3,500 per tonne whilst coated sells for US\$7,000 to US\$10,000 per tonne

Feed size	Sub 150 microns
d90	20.61 microns
d50	15.64 microns
d10	12.25 microns
Fixed carbon	99.96%
BET surface area	4.236 m ² /g
Tap density	0.98
Spherical graphite yield	40%



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Syrah's purified uncoated Li-ion battery grade spherical graphite



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Balama Vanadium Scoping Study

- Metallurgical test work has successfully produced a 99.9% V_2O_5 powder
- Syrah previously reported a 98.5% V_2O_5 concentrate
- 98.5% V_2O_5 sells for between US\$12.5 - US\$15 per kilo
- 99.9% V_2O_5 can sell for approximately US\$50 per kilo
- Robust financial metrics projected:
 - capex of ~US\$80 million
 - post tax NPV (10% discount rate) of US\$330 million
 - internal rate of return of 59%
 - payback period of 3.4 years after completion of construction
- Feasibility studies on vanadium will commence after finalisation of the Graphite DFS



Balama 98.5% vanadium pentoxide concentrate from Stage 2 processing



Balama 99.9% vanadium pentoxide concentrate from Stage 2 processing

[1] Reference: TPP Squared Inc
[2] Reference: 'Projections of the future costs electricity generation technologies ' CSIRO 2011



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Pre-construction works

- Pre-construction works commenced to facilitate mine construction in 2015
- Existing camp capacity being increased from 25 to 73 to accommodate anticipated staff increases
- Light vehicle workshop and fuel station established



New Balama camp extension



New Balama camp canteen for local labourers



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Light vehicle workshop



Fuel station



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Community development

- Syrah was awarded the **2014 Best Social Corporate Responsibility** company for its community development activities
- Phase I of the resettlement plan has commenced; no housing accommodation will require relocation, only small farms
- Initiatives that have been carried out to date include:
 - fencing of the Balama District Hospital and Doctors residential area
 - opening of water boreholes in the villages of Maputo and Pirira
 - establishment of solar panel in schools in the villages of Ncuide, Ntete and Maputo
 - establishment of a solar panel water pump in Ntete maternity hospital
 - provision of employment opportunities for local people (more than 70% of Syrah's positions are filled by locals)
- Future initiatives include:
 - opening 3 more water boreholes
 - assisting a Women's Farming Association in Pirira
 - establishing 3 more solar panels to power water pumps
 - establishing English language classes for the local community



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2014 Best Social Corporate Responsibility award



Country Manager Dinis Napido with the award



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Thank you

Image: Balama Project camp site entrance