International Graphite (ASX:IG6)

QUARTERLY ACTIVITIES REPORT

March 2025

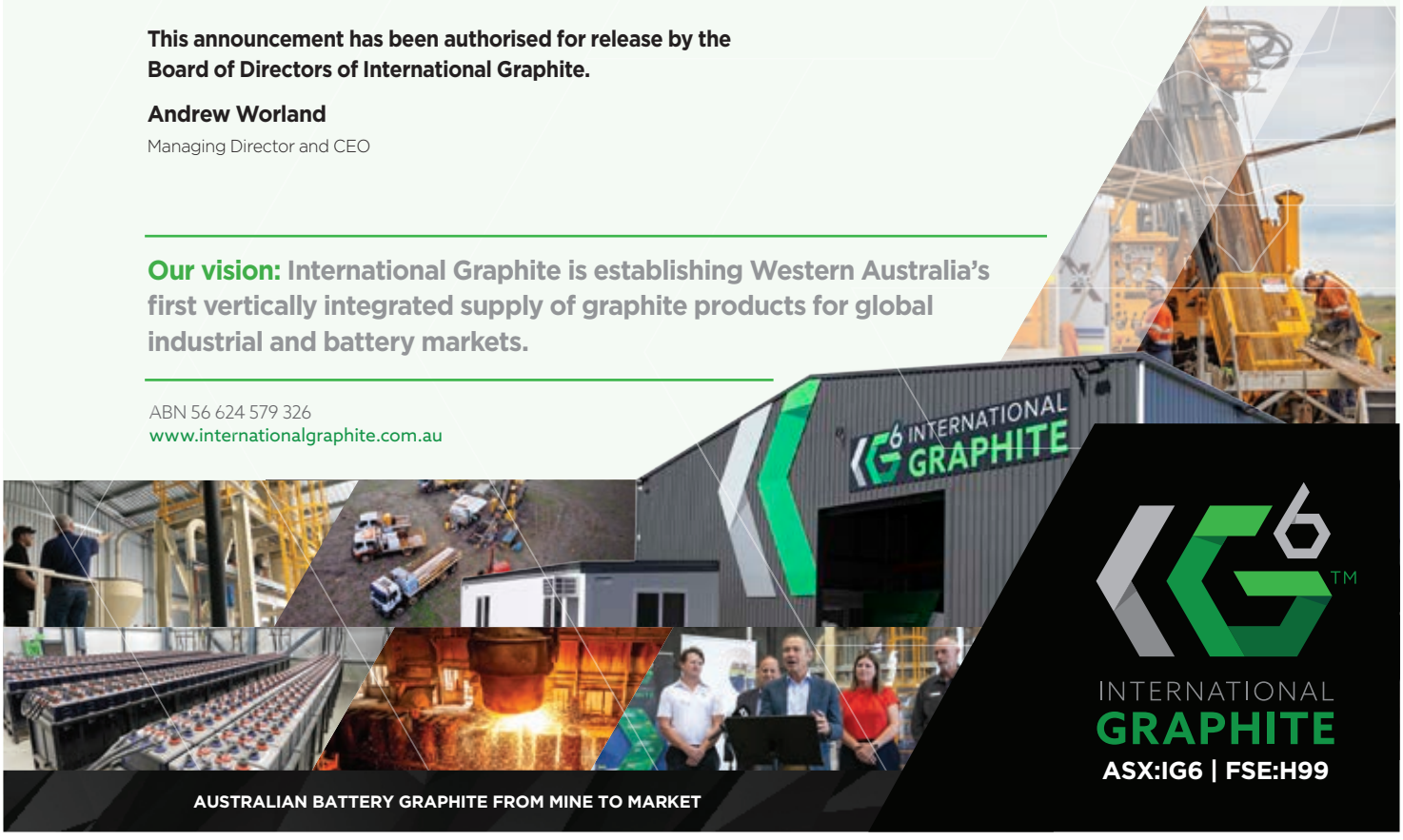
- New US Government tariff and trade policies focus on securing critical minerals supply highlighting the importance of the Springdale Graphite Project and downstream graphite processing initiatives.
- Australian Prime Minister announces plans to establish a $1.2 billion fund for offtake of Australian critical minerals if re-elected. Mr Albanese visited the Collie Graphite Processing and R&D Facility in 2024.
- Collie Micronising Facility FEED study confirms viability of the planned ~4,000 t/y processing facility and expansion.
- Springdale and downstream processing feasibility studies continue.
- Visit by Marubeni Corporation representatives pursuant to a non-binding MoU for the potential supply of spheroidised graphite from Springdale and provision of financial support to develop the Company's projects.
- Purification testwork on Springdale graphite concentrates exceeds minimum specifications for active / battery anode materials.
- Financial Assistance Agreements signed with the WA Government bringing total contracted government support to $17.2 million of which $12.2 million remains available for Company projects.

This announcement has been authorised for release by the Board of Directors of International Graphite.

Andrew Worland
Managing Director and CEO

Our vision: International Graphite is establishing Western Australia's first vertically integrated supply of graphite products for global industrial and battery markets.

ABN 56 624 579 326
www.internationalgraphite.com.au



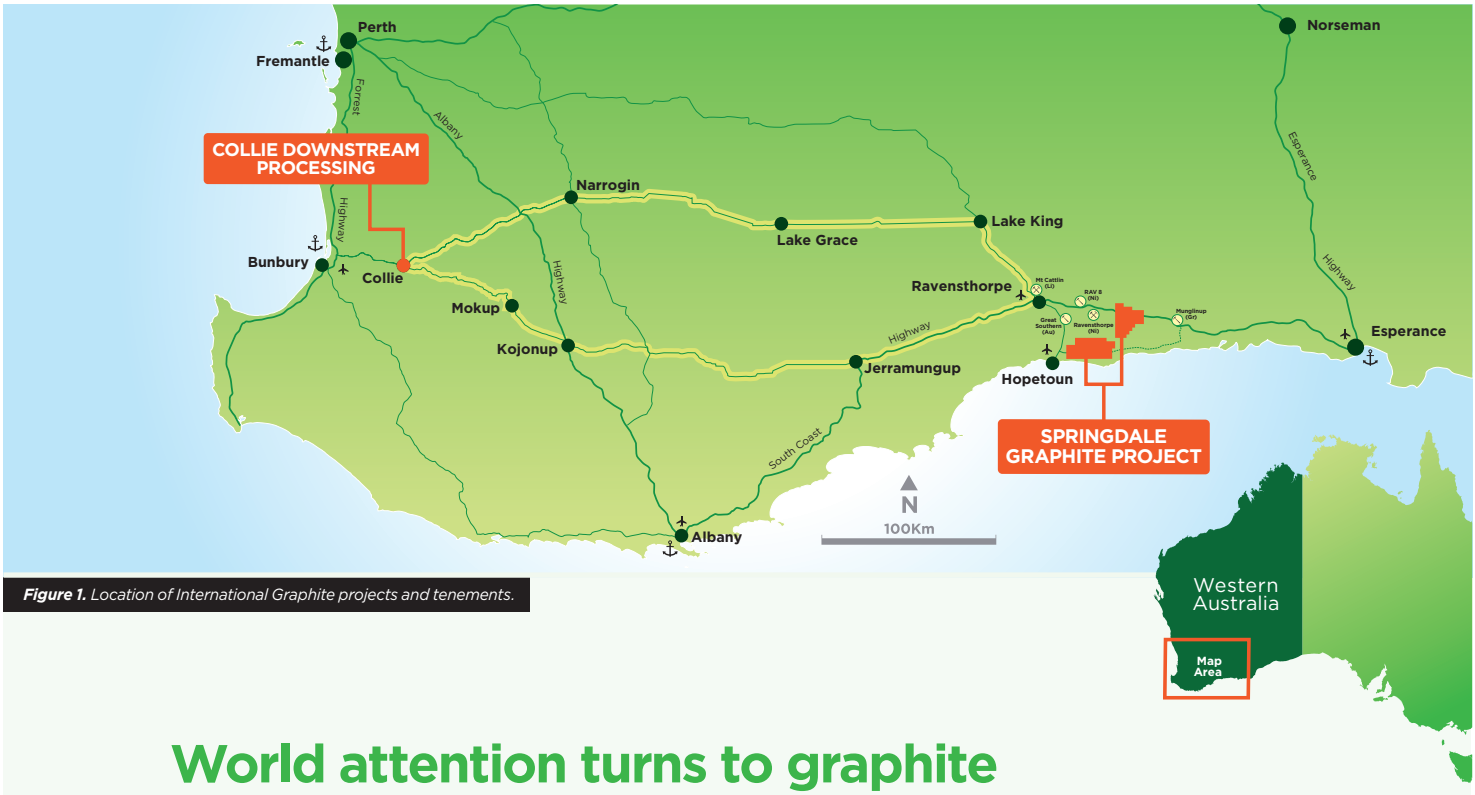


Figure 1. *Location of International Graphite projects and tenements.*

World attention turns to graphite

Geopolitical events in the March 2025 quarter have strengthened the Company's belief that our Springdale Graphite Project will be viewed as a significant critical mineral source for the US and Europe.

If the US and Europe hope to secure continuity of supply for manufacturing – including defence and energy storage related applications – it is imperative that alternative graphite sources be developed.

Australia, and in particular Western Australia, is one of few jurisdictions where graphite can be sourced free of the civil and political instabilities that continue to plague most of the existing graphite production sources.

On 20 March 2025, US President Trump signed the Executive Order *Immediate Measures to Increase American Mineral Production* providing a supportive policy framework and expanded public funding opportunities for the Company's Springdale Graphite Project and planned downstream processing facilities.

The Executive Order:

- Expands US Government priorities to include downstream processing and production of anode material
- Mandates the fast-tracking of Federal permitting to the extent current law allows
- Grants *Defense Production Act Title III* authority to the US Department of Defense and US International Development Finance Corporation for direct financing, loans, loan guarantees, and even purchase agreements with strategic mineral projects
- Directs the US Export-Import Bank to use existing debt tools to finance minerals projects – both domestically and abroad.

Following the Executive Order, President Trump announced the intention to institute a suite of international tariffs *"declaring a national emergency to increase [the United States'] competitive edge, protect [its] sovereignty, and strengthen [its] national and economic security".* The exemption of graphite from the general tariff being applied to Australia signals the importance of natural graphite imports to the US defence and commercial sectors.

This decision was closely followed, on 15 April 2025, with the Executive Order *Ensuring National Security and Economic Resilience Through Section 232 Actions on Processed Critical Minerals and Derivative Products.* That order recognises the importance of critical minerals to the US defence industrial base, and economic and national security. It also acknowledges that major foreign producers of raw materials have engaged in widespread price manipulation, overcapacity, arbitrary export restrictions and exploitation. The order calls for an investigation by the US Secretary of Commerce under Section 232 of the *Trade Expansion Act 1962 (as amended)* to determine if imports of processed critical minerals and their derivative products threaten to impair US national security.

These policy announcements highlight the global opportunities emerging for the Company as frontrunners in Australia's critical graphite supply chain.

Collie Micronising Facility

Results from the Company's Front End Engineering and Design (FEED) study were released in March, confirming the strong financial viability of the planned Collie Micronising Facility, in Western Australia.

Development of the Collie processing facility is a pivotal first step in the build-out of our planned portfolio of Australian and international processing facilities. The Company believes the key to advancing graphite resource projects is having control of value-adding downstream processing to supply both industrial manufacturing and battery anode markets.



Figure 2. *Collie micronising facility site plan.*

The FEED study outlines the technical, economic, and regulatory framework shaping development of the nominal 4 kt/y graphite micronising plant, and provides a base for modelling expansion of the facility.

Table 1: Key results of the FEED study

Item	Units	FEED Study	Expansion Option
Annual production of micronised graphite	Tonnes/y	3,961	7,522
Capital cost estimate (including contingency)	A$M	6.3	8.0
Average sales price	A$/t	3,722	3,722
Total revenue modelled over 20 years	A$M	282.3	560.5
Average annual revenue	A$M/y	14.1	28.0
Average annual operating cost modelled over 20 years	A$/t	2,536	2,189
NPV10 (pre-tax) modelled over 20 years	A$M	25.8	74.1
IRR (pre-tax) modelled over 20 years	%	43	72

The capital cost identified in the FEED study incorporates building design, civil works, earthworks and other infrastructure with capacity to facilitate low-cost expansion.

The FEED study financial models are informed by independent market expertise using a base case production strategy involving 95% and 99% graphite products with size distribution of 15-45 micron. The actual production and marketing strategy to be pursued at Collie, including the pace of production ramp up, will be determined by prevailing market conditions and customer requirements at the time of commissioning and continuously thereafter.

Since completing the FEED study the Company has been progressing plant design and procurement activities including:

- contract award for building design and construction
- planning for power upgrades
- project approvals
- negotiation for acquisition of optioned lots in the Collie Light Industrial Area.

Springdale Mine to Market Project Development

Approvals are being progressed with Western Australian government agencies and landowners for the commencement of trial pit operations at Springdale.



Figure 3. *Representatives from Marubeni Corporation tour.*

The Company hosted representatives from Marubeni Corporation, one of the world's biggest integrated trading and investment conglomerates, at Springdale and Collie during the quarter.

A testwork program in Japan, coordinated by Marubeni, returned battery grade purification results from concentrates sourced from the Springdale Graphite Project.

The bench scale program involved purifying graphite concentrates from drilling and bulk concentrate extraction undertaken at Springdale in 2023. Various wash cycle tests returned a purity of up to 99.97% total graphitic carbon (TGC), achieving the TGC purity generally specified for lithium-ion battery anode specifications. Further purification testwork programs on Springdale graphite concentrates and spheroidised Springdale graphite concentrates are planned.

The Company has been collaborating with Marubeni under a non-binding memorandum of understanding for the potential supply of spheroidised graphite from Springdale and potential financial support for International Graphite's mine to market strategy.

Marubeni is looking to expand its access to critical minerals and is exploring avenues to secure graphite products, from concentrates to semi-processed materials, in support of Japan's growing battery and motor vehicle manufacturing industries. Marubeni has had business interests in Australia for decades.

The Company is progressing the analysis of process flowsheet options for downstream processing of Springdale concentrates. The studies include preparation of process design criteria and process flow diagrams.

Government Grants

During the quarter, the Company signed two financial assistance agreements with the State Government of Western Australia. As at 31 March 2025 the Company has been awarded funding totalling $12.2 million of Australian state and federal government grants that remain available for spending on the Company's projects as follows:

Table 2: Government Grants and Status

Source	Amount	Purpose	Status	Available for drawdown
Collie Futures Industry Development Fund (CFIDF)	$2.0 million	Establishment of Collie R&D Facility	Announced in July 2021	$nil
Australian Critical Minerals Development Program	$4.7 million	Applied to feasibility activities for the Company's proposed graphite mine at Springdale and advanced battery anode material manufacturing plant at Collie as well as construction of the commercial scale Collie Micronising Facility	Announced in May 2023 At 31 December 2024, $1.7 million remains outstanding and has been committed to the commercial scale Collie Micronising Facility, of which $1.2 million is held by the Company and $0.5 million due on completion of agreed milestones	$1.7 million
Collie Industrial Transition Fund (CITF)	$4.5 million	Collie Micronising Facility	Announced in April 2024 Financial Assistance Agreement signed October 2024	$4.5 million
Collie Industrial Transition Fund (CITF)	$2.0 million	To be applied to progress the design of downstream battery anode facilities and mine to market feasibility studies	Announced in April 2024 Financial Assistance Agreement signed January 2025	$2.0 million
WA Investment Attraction Fund (IAF) New Energies Industries Funding Stream	$4.0 million	Key feasibility works for the Springdale Graphite Project including bulk concentrate generation programs Additional battery anode related research and development and qualification scale spheroidising equipment for the Collie Graphite Processing and R&D Facility	Announced in January 2025 Financial Assistance Agreement signed January 2025	$4.0 million

Corporate

There were no changes to the Company's capital structure during the quarter.

Community and Industry Events

Community and Industry Events

Business and community leaders came together at Fitzy Futures for a creative workshop exploring options to build a sustainable and thriving future for the Shire of Ravensthorpe. As a future regional employer, the Company was represented by Collie Project Manager Josh Hearse.



Figure 4. *Project Manager Josh Hearse (with microphone) joins the conversation at Fitzy Futures. Right: Community leaders share their views.*

Minerals Industry Roundtable

International Graphite was invited by the Minerals Council of Australia to participate in an industry roundtable on supply chains with the US Department of State and American Chamber of Commerce in Canberra, in February. The Company was represented by Chief Financial Officer Robert Hodby.

US Investment Roadshow

Chairman Phil Hearse and Managing Director and CEO Andrew Worland led a roadshow and study tour to the US and Canada in March. The trip culminated in Mr Worland presenting at the Prospectors and Developers Association Convention, in Toronto. The convention drew 27,000 resource professionals and investors from 135 countries.

Energy Exchange Australia

Chief Financial Officer Robert Hodby joined an expert panel to discuss the future of critical minerals and the emerging battery market at the Energy Exchange Australia Conference in Perth, on 13 March 2025.

Critical Minerals Prospectus

The Company was again featured in the latest edition of the Australian Government's Critical Minerals Prospectus. The prospectus recognises resource projects of significance across the nation and was released on 9 April 2025.

Competent Persons Statement

The information in this announcement, which relates to exploration targets, exploration results or mineral resources is based on information compiled by Mr Darren Sparks. Mr Sparks is the Principal Consultant and fulltime employee of OMNI GeoX Pty Ltd. He is a member of the Australian Institute of Geoscientists (AIG). Mr Sparks has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Sparks consents to the inclusion of the information in this announcement in the form and context in which it appears.

The Competent Person confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this document, that relates to metallurgical testwork managed by Battery Limits Pty Ltd, is based on, and fairly represents, information and supporting documentation reviewed by Mr David Pass, who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Pass is a fulltime employee of Battery Limits and has been engaged by International Graphite Ltd to provide metallurgical consulting services. Mr Pass has approved and consented to the inclusion in this document of the matters based on his information in the form and context in which it appears.

ASX Additional Information

1. ASX Listing Rule 5.3.1– Mining exploration activities and investment activity expenditure during the quarter was $132,514. Full details of the activity during the quarter are set out in this report.
2. ASX Listing Rule 5.3.2 – Mining production and development activity expenditure for the quarter was Nil and there were no substantive mining exploration activities for the quarter.
3. ASX Listing Rule 5.3.3 – Tenement Schedule

Project	Holder	State	Tenement	Status	Percentage Held
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0562	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0612	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0751	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	E74/0809	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	M74/0252	Granted	100%
Springdale	International Graphite Springdale Pty Ltd	WA	M74/0253	Granted	100%

4. ASX Listing Rule 5.3.4 – Payments to related parties of the Company during the quarter and outlined in the Appendix 5B include $217,953 for Salaries, Director Fees and Consulting Fees paid to Battery Limits.

Appendix 5b
MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY QUARTERLY CASH FLOW REPORT

Name of entity	
International Graphite Limited	

ABN	Quarter ended ("current quarter")
56 624 579 326	31 March 2025

Appendix 5b
MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY
QUARTERLY CASH FLOW REPORT

CONSOLIDATED STATEMENT OF CASH FLOWS		CURRENT QUARTER $A'000	YEAR TO DATE (9 MONTHS) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	9
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(457)	(1,096)
	(c) production	-	-
	(d) staff costs	(218)	(673)
	(e) administration and corporate costs	(331)	(1,087)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	9	43
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	1,580	2,395
1.8	Other (provide details if material)		
	(a) Process Development	-	-
1.9	**Net cash from / (used in) operating activities**	**583**	**(409)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(76)
	(d) exploration & evaluation	(132)	(1,342)
	(e) investments	(20)	(125)
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(152)**	**(1,543)**

ASX Listing Rules Appendix 5B (17/07/20)
+ See chapter 19 of the ASX Listing Rules for defined terms.

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QUARTERLY CASH FLOW REPORT

CONSOLIDATED STATEMENT OF CASH FLOWS		CURRENT QUARTER $A'000	YEAR TO DATE (9 MONTHS) $A'000
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	785	1,366
3.6	Repayment of borrowings	(1,000)	(1,000)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (interest on loan)	(38)	(103)
3.10	**Net cash from / (used in) financing activities**	**(253)**	**263**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,459	3,326
4.2	Net cash from / (used in) operating activities (item 1.9 above)	583	(409)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(152)	(1,543)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(253)	263
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,637**	**1,637**

ASX Listing Rules Appendix 5B (17/07/20)
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Appendix 5b
MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY
QUARTERLY CASH FLOW REPORT

CONSOLIDATED STATEMENT OF CASH FLOWS

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,637	1,459
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,637**	**1,459**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	187
6.2	Aggregate amount of payments to related parties and their associates included in item 2	19

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

International Graphite and Battery Limits Pty Ltd (an entity controlled by chairman Mr. Phil Hearse) (Battery Limits) are parties to a Professional Services Agreement. Mr Pass, a director of International Graphite, is CEO of Battery Limits. Battery Limits provides mining project development services including but not limited to coordinating and managing exploration, geological, mining, metallurgical investigations, permitting, engineering, process design, feasibility studies and graphite marketing investigations and studies (Graphite Mine and Concentrate Production Services) and all technical studies associated with the development, construction and operation of graphite concentrate downstream processing facilities. Fees charged under the Agreement are based on hourly rates that compare favourably to what the Company would otherwise incur with an unrelated party performing the same services. International Graphite also rent office space from Battery Limits.

Payments include salaries and director fees paid to directors and consulting fees paid to Battery Limits.

7.	**Financing facilities** *Note: the term "facility" includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	1,000	785
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**1,000**	**785**
7.5	**Unused financing facilities available at quarter end**	**-**	**215**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Loan is from a research & development funding group secured again the forecast 2025 R&D Tax rebate. Interest rate is 16%.

ASX Listing Rules Appendix 5B (17/07/20)
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Appendix 5b
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QUARTERLY CASH FLOW REPORT

CONSOLIDATED STATEMENT OF CASH FLOWS

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	583
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	(132)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	448
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,637
8.5	Unused finance facilities available at quarter end (item 7.5)	215
8.6	Total available funding (item 8.4 + item 8.5)	1,852
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**N/A**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A.

8.8.2 Has the entity taken any steps, or does it propose to take any steps to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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QUARTERLY CASH FLOW REPORT

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2025

Authorised by: The Board

(Name of body or officer authorising release – see note 4)

Notes

1. *This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.*
2. *If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.*
3. *Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.*
4. *If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".*
5. *If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.*

INTERNATIONAL GRAPHITE

ASX Listing Rules Appendix 5B (17/07/20)
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International Graphite is listed on the Australian Securities Exchange (ASX: IG6) and Tradegate and Frankfurt Stock Exchange (FWB: H99, WKN: A3DJY5) and is a member of the European Battery Alliance (EBA250) and European Raw Minerals Alliance (ERMA).

Shareholder Communication

Please provide your email address to receive shareholder communications electronically.

To review your communications preferences, or sign up to receive your shareholder communications via email, please update your preferences at **https://investor.automic.com.au/**

If you are a shareholder and would like a physical copy of a communication, need further information about the options available to you, or have questions about your holding, please visit our Share registry at **https://investor.automic.com.au/** or contact:

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Level 5 126 Phillip Street Sydney NSW 2000
Telephone (within Australia): 1300 288 664
Telephone (outside Australia): +61 2 9698 5414
Email: hello@automicgroup.com.au

If you are not a shareholder but re interested in receiving our news and announcements, join the mailing list on our website at **www.internationalgraphite.com.au**