International Graphite (ASX:IG6)

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 30 JUNE 2025

Highlights (including events subsequent to quarter end).

- **European expansion:** Co-operation Agreement signed with Arctic Graphite AS to develop a new expandable graphite facility in Germany targeting a 3,000 t/y production rate and capital cost estimate of €5.0 million.
- **Graphite Investment Partners LLC (GIP):** A shareholder of Arctic, has committed to arranging at least 50% of the EGF Capital Cost Estimate in non-dilutive funding and has issued a non-binding letter of interest to arrange up to $10 million in funding.
- **Comet share sale:** The Company's major shareholder Comet Resources Ltd sold 27.5 million shares in the Company and is using sales proceeds to repay debts due to the Company totalling $1.125 million. Mr. Matthew O'Kane resigned from the Board of Directors.
- **Collie construction progresses**: Prosser Built – a Bunbury based construction company - appointed to progress detailed design. Supply contract has been signed and a purchase order issued for the manufacture of the micronising process equipment with the first commitment being the supply of detailed engineering drawings to the local design team.
- **US Department of Defense:** Positive feedback from the U.S. Department of Defense (DoD), through the Defense Industrial Base Consortium (DIBC), on a proposal for up to US$7.5 million in potential feasibility study funding for the Company's integrated graphite 'Mine to Market' strategy. The proposal is now under Award/Basket Consideration.
- **Mine to market strategy advances:** Continued progress on the integrated development pipeline positioning the Company to become a diversified producer of high-value graphite products for global industrial and energy markets across Springdale, Collie and now Germany, with investigations assessing site locations in Savannah, Georgia ongoing.

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

Andrew Worland
Managing Director & CEO

Our vision: To be a global graphite company providing high quality supply for industrial and battery markets from our vertically integrated operations and world class graphite resource in Western Australia.

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



INTERNATIONAL GRAPHITE
ASX:IG6 | FSE:H99

AUSTRALIAN BATTERY GRAPHITE FROM MINE TO MARKET

German Expandable Graphite Facility

Joint Venture proposal announced

On 28 July 2025, IG6 announced it had signed a Co-operation Agreement with Arctic Graphite AS and Graphite Investment Partners LLC (GIP) to develop a new expandable graphite facility (EGF) in Europe.

The proposed facility, located in Germany, would be one of the only domestic sources of expandable graphite in the European Union, which consumes 30 per cent of world supply outside China.

Expandable graphite is used as a flame retardant in construction materials, as insulation in electronics, and in batteries and green steel. It is also used as foils, with further processing, in applications such as mobile phones. Demand is accelerating as fire safety, energy efficiency, and high-performance computing drive growth across key industries.

- **Joint venture structure:** Under the agreement, IG6 and Arctic Graphite AS will each hold a 50% interest in the new venture. Arctic shareholders include Norwegian construction and mining giant LNS, which has operational experience in graphite as a previous owner and operator of the Skaland graphite mine, the largest natural flake graphite producer in Europe.
- **Facility capacity:** The EGF is targeting ~3,000 tonnes per annum of product with a capital cost estimate of €5 million. The project aims to begin production in 2027.
- **Funding support:** GIP, a shareholder of Arctic, has committed to arranging at least 50% of the EGF Capital Cost Estimate in non-dilutive funding and has issued a non-binding letter of interest to arrange up to $10 million in funding.
- **Technology and expertise:** German graphite processing experts ProGraphite GmbH and international product specialists Hensen Graphite and Carbon will provide technical support for flowsheet development and market validation. Hensen is also considering taking an equity stake in the project.

IG6 will manage initial technical, commercial, economic and environmental assessment. Pending the outcome of the assessment, IG6 and Arctic plan to form a joint venture to finance, build and operate the plant.

This is IG6's first planned offshore production facility and marks a significant milestone in its multi-jurisdictional growth strategy. Together with Collie, the two facilities are expected to produce approximately 10,000 tonnes per annum of processed graphite products by 2027.

World Leading Partners

Arctic Graphite AS. A Norwegian critical minerals developer 50% owned by Leonhard Nilsen & Sønner AS (LNS), one of Norway's largest and most experienced mining and civil construction firms. LNS's graphite experience includes previous operations at Europe's only producing flake graphite mine, Skaland, providing Arctic with significant operational insight.

Graphite Investment Partners LLC. A specialist investment firm focused on equity and debt funding of critical minerals projects, with a track record of owning graphite projects from exploration to production, and playing a key role in commercial strategy

ProGraphite GmbH. A leading European graphite technical consultancy with deep expertise in processing, flowsheet design, and graphite product development. ProGraphite's knowledge supports efficient feasibility study execution and technical validation.

Hensen Graphite and Carbon. A vertically integrated graphite producer with over 50 years' experience. Hensen supplies expandable, micronised, spheroidised and battery-grade graphite products globally and brings proven processing know-how to the project.

Collie Micronising Facility

The Company continues to progress development of its new micronising facility at Collie, in Western Australia, with operations scheduled to start in 2027. The project represents Australia's first commercial-scale micronising operation and will produce a range of micronised graphite materials for global markets.

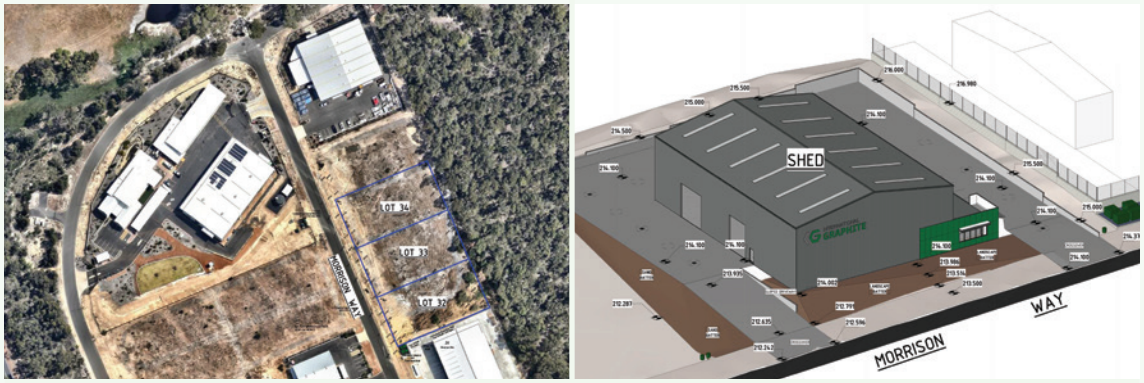


Figure 1. *Collie Micronising Plant site and design projections.*

Following the release of the Front-End Engineering and Design (FEED) study in March 2025, the June quarter saw the Company initiate pre-construction activities including:

- Detailed design and contracting: Prosser Built, a Bunbury-based construction contractor with experience in regional industrial projects, was appointed to finalise building and structural design. Construction is expected to commence once approvals are in place.
- Equipment procurement: A purchase order has been placed for the manufacture of key micronising equipment. Engineering drawings and specifications have been received to support local integration planning.
- Funding drawdowns: The Collie project is underpinned by a $4.5 million grant from the WA Government's Collie Industrial Transition Fund. Funding will be drawn progressively as development milestones are achieved.

The new commercial plant is designed with an initial capacity of ~4,000 tonnes per annum in Stage 1 with scalability to ~7,500 tonnes in Stage 2.



Figure 2. *Project Manager Josh Hearse, left, and CFO Robert Hodby with micronised graphite samples from Collie.*

Collie Qualification Plant

The Company continues to operate its R&D and qualification-scale facility to produce product samples for market testing and validation.

To date, over 1,200 kg of graphite concentrates have been processed. Micronised and spheroidised products, manufactured across several particle size ranges (15–45µm D90), have been supplied to industrial and battery sector customers for evaluation.

The Collie operation has quality assurance certification to ISO 9001:2015.

Springdale Graphite Project

Mine to Market Strategy

The Company's 100% owned Springdale Graphite Project, in Western Australia, continues to be the cornerstone of IG6's global growth strategy ensuring secure, long-term supply for downstream processing operations.

Feasibility studies are progressing for the mine and concentrator, with a final investment decision anticipated by the end of 2026, paving the way for construction in 2027 and operations to start in 2028.

The company is working to establish an international network of processing facilities that will ultimately produce a range of graphite products, from micronised and expandable to advanced battery anode material, using natural graphite from Springdale.



Figure 3. *Site inspection at Springdale.*

Corporate

At quarter end the Company had cash on hand of $1,081,000. Approximately $10.5 million in state government grants for the development of the Collie Micronising Facility and the Springdale mine to market strategy are contracted and are yet to be drawn.

Post quarter-end, IG6 advised that major shareholder Comet Resources Limited (ASX:CRL) completed the sale of 27.5 million IG6 shares to new and existing investors, introduced through IG6 and its corporate advisors Pamplona Capital Pty Ltd.

As part of the transaction, Comet is to apply $1.125 million of the sale proceeds to fully settle all outstanding debts owing to IG6.

As a consequence of the reduced shareholding, Mr Matthew O'Kane voluntarily resigned from the Board of IG6.

Market Development

- **US Department of Defense recognition**

During the quarter, IG6 received confirmation from the US Department of Defense that its submission under the Defense Industrial Base Consortium (DIBC) open proposal process had progressed to Award/ Basket Consideration.

The Company's white paper proposal, titled "Addressing Shortfalls in the US Graphite Supply Chain and Defense Industrial Base", seeks up to US$7.5 million to support feasibility studies for the Springdale Graphite Project and downstream facilities.

The proposal aligns with US policy objectives to reduce reliance on non-allied sources of critical minerals and highlights Western Australia as a secure and reliable jurisdiction for graphite supply.

Focus on the US

The United States continues to be a strong potential growth location for IG6 which has identified a site in Savannah, Georgia, as a prospective hub for the development of additional downstream facilities.



Figure 4. *Chairman Phil Hearse, centre, at the port of Savannah.*



Figure 5. *Chairman Phil Hearse, left, with members of the Savannah Economic Development Authority.*

Post quarter end, the US Department of Commerce announced a 93.5 per cent anti-dumping tariff on certain graphite imports from China. The decision reflects growing US efforts to counter unfair trade practices and secure domestic supply chains for critical battery materials. The move is expected to strengthen demand for graphite from trusted jurisdictions, including Australia, and reinforces the strategic positioning of International Graphite as a potential supplier to allied markets.

Focus on Japan and Korea

In June, IG6 Chairman Phil Hearse and Managing Director and CEO Andrew Worland visited Japan and Korea, to support strategic relationships in this key graphite market. The visit included meetings with leading Japanese trading house Marubeni Corporation. IG6 has a non-binding Memorandum of Understanding (MoU) with Marubeni for potential supply of spheroidised graphite and strategic investment.



Figure 6. *Meeting with the team at Marubeni Corporation in Japan.*

Community Relations

The developing graphite industry continues to attract attention. Post quarter end, IG6 hosted a visit by 30 process engineers from various industries as organised by the Australian Institute of Mining and Metallurgy (AusIMM).



Figure 7. *Industry tour of Collie R&D Facility and micronised product samples.*

ASX Additional Information

1. ASX Listing Rule 5.3.1– Mining exploration activities and investment activity expenditure during the quarter was $153,098. 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 $237,753 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	30 June 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 (12 MONTHS) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	11	20
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(232)	(1,328)
	(c) production	-	-
	(d) staff costs	(238)	(911)
	(e) administration and corporate costs	(295)	(1,382)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	49
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	350	2,745
1.8	Other (provide details if material)		
	(a) Process Development	4	4
1.9	**Net cash from / (used in) operating activities**	**(394)**	**(803)**
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	(153)	(1,495)
	(e) investments	-	(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**	**(153)**	**(1,696)**

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

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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 (12 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	-	1,366
3.6	Repayment of borrowings	-	(1,000)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (a) interest on loans	(9)	(112)
3.10	**Net cash from / (used in) financing activities**	**(9)**	**254**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,637	3,326
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(394)	(803)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(153)	(1,696)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(9)	254
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,081**	**1,081**

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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	1,081	1,637
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)**	**1,081**	**1,637**

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	11

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 Mr Hearse) (Battery Limits) entered into a Professional Services Agreement in February 2022. The original terms has expired but the companies continue to operate on a monthly basis under the terms of the original agreement. Mr Pass 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.

Payments include Salaries, Director Fees and Consulting Fees to Executive Director and Non-Executive Directors. Payments also include amounts paid to Battery Limits (an entity controlled by Phil Hearse) for office rent and consultancy services, per the Professional Services Agreement.

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
MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY
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)	(394)
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	(153)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(547)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,081
8.5	Unused finance facilities available at quarter end (item 7.5)	215
8.6	Total available funding (item 8.4 + item 8.5)	1,296
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**2.4**

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: 31 July 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

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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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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**