

Tirupati Graphite PLC ('Tirupati' or the 'Company'), the specialist graphite and graphene producer with operations in India and Madagascar, is pleased to provide a corporate and operational update and update in response to the COVID-19 pandemic.

### 1. Corporate Updates:

- In December 2019 the Company filed its prospectus with the Financial Conduct Authority ('FCA') for admission on the Standard List of the London Stock Exchange
  - A first review of the document was initiated in February 2020, following inclusion of the Company's interim financial results for the nine months ended December 2019
  - The first turnaround has been met and a second turnaround is due in the week starting 20<sup>th</sup> April
- Whitman Howard Limited ('WH'), who are merging with broking house Panmure Gordon, have been appointed as Joint Brokers. We express our gratitude to Optiva Securities for the introduction. This brings in a strong institutional sales team to work on the IPO alongside Optiva and help underpin a successful listing.
- Preparations for the listing are in full swing and both our brokers are confident that there will be strong institutional and retail demand for the company's shares for a Q2 2020 IPO.

### 2. Madagascar Operations:

- Debottlenecking and ramp up at the Sahamamy Project, which has 3,000 tpa capacity, was completed in December 2019 and commercial production commenced on 11 January 2020
- Key statistics for the ramp up period are as follows:

<b>RAMP UP PERIOD (April 2019 – December 2019)</b>	
Quantity Produced	927 MT
Quantity Sold	769 MT
Sales Revenue	£509,874/-
Basket Price Realised	£663/- per MT
Total Operating Costs	£239,039/-
Operating Cost per MT	£257/- per MT
Operating Gross Margins	£270,834/-
CAPEX (Mining+Processing)	£240/- per MT annual capacity created

- With positive Operating Gross Margin in ramp-up phase and OPEX and CAPEX in the lowest quartile, results underpin the key value metrics of primary flake graphite projects in Madagascar

- For Q1 CY 2020, the Company sold and shipped 437 MT, accruing revenues of US\$362,668 at a basket price of US\$830 per ton in circa 70 days
- Additionally, 85 MT accruing revenue of US\$73,950 was sold and awaiting shipment at port but delayed due to COVID-19
- More than 12,000 MT of construction sand has been produced as a by-product and used on site construction activities without assigning any value to it, underpinning the Company's sustainable "waste to wealth" approach. TG envisages to commercialise this product and generate additional revenues for the company in the longer term.
- Construction of the plant at Vatomina is substantially complete and now awaits capital for completion with a timeline to commission of approximately 120 days from capital raise
- SRK Consulting appointed to complete a Competent Person's Report ('CPR') for the two projects. The following resource numbers were released by SRK, recognising the staged exploration and development plants and the extensive upside potential at both projects:

VATOMINA PROJECT		
Resource Category	Quantity	Grade
	(Mt)	(GC%)
<i>Measured</i>	-	-
<i>Indicated</i>	3.2	4.3
<i>Inferred</i>	15.2	4.7
<b>Total Mineral Resource</b>	<b>18.4</b>	<b>4.6</b>

SAHAMAMY PROJECT		
Resource Category	Quantity	Grade
	(Mt)	(GC%)
<i>Measured</i>	-	-
<i>Indicated</i>	1.4	4.10
<i>Inferred</i>	5.7	4.20
<b>Total Mineral Resource</b>	<b>7.1</b>	<b>4.20</b>

- These Mineral Resource Estimates equate to 1,144,600 tons of contained graphite, giving a 14-year mine life based on the planned 81,000tpa production target capacity build, with extensive upside.

### 3. India - Downstream Projects, Speciality Graphite:

- Patalganga Project was commissioned in July 2019 and has successfully launched & trademarked "CarboflameX" a flame retardant product made from expandable graphite
- Patalganga also serves as distribution centre for primary flake graphite to the Indian market – for graphite from the Company's Madagascan operations

- Based on the success of Patalganga and extensive interest for Hydrofluoric Acid free (HF free), high purity graphite, the Company has decided to expand Patalganga to a total 4,800 tpa capacity (current production 1200 tpa), which alongside the existing expandable graphite capabilities, will enable the Company to produce high purity and micronized graphite. This shall be progressed post IPO
- The current operations at Patalganga are generating positive Gross Margins

#### 4. India - Graphene and Technology Centre:

- Two acre land allocation for the project approved by Government of Odisha with a further three acres assured upon initiation of development
- Graphene application development is progressing with both, research institutions and industries globally, with success achieved/ongoing in electrodes, aluminium composite, rubber for tyres, polymer composites, flow control systems, coatings and self-healing polymer. The Company expects these to lead to market development and commercial sales as it establishes its facilities post IPO
- Research conducted by the iComposites Lab of the University of Manchester for a polymer graphene composite using Tirupati's graphene generated remarkably positive results, highlighting the significant commercial potential of this material. Key findings are as below:
  - a. Addition of 0.5% (by wt) reduced graphene oxide ('RGO') led to a massive increase in stiffness of the polymer by approximately 50 times. The ultimate strength increased by about four times. The fracture toughness also increased. RGO also covalently bonded with the polymer.
  - b. Addition of RGO shows massive improvements in the mechanical properties and high compatibility with polymer. This opens a wide scope of applications for the material in various industries where high strength, low wear polymers are required.

#### 5. Impact of Covid-19 Pandemic:

- All employees are currently safe and healthy and maintaining this is a priority for the Company
- Pre-emptive action has been taken by the Company in accordance with government guidelines to ensure the health and wellbeing of its team and to protect stakeholder value
- The Board and key management team are working remotely from home
- Low C2 cost structure means Tirupati is well-positioned to weather any COVID-19 disruptions

#### *Madagascar*

- In Madagascar, since 20 March international travel has been suspended and the port city of Tamatave and the capital city Antananarivo are currently on lockdown
- The Sahamamy Project is not under lockdown enforcement and remains operational, but movement of inputs and finished products remains challenging
- With completion of 1 year since commissioning of the project, a three week production shutdown was scheduled at Sahamamy to complete key infrastructure and maintenance work. Production is scheduled to restart from 18 April 2020.

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- New shipments were impacted for more or less 2 weeks though resumed with minimal movement of people.
- As a precaution, and in accordance with government guidelines, the Company is practising social distancing and has provided its workers with protective gear. Access to the projects is also being limited to key staff and personnel only
- Tirupati continue to actively monitor the situation and continue operations as permitted by local Government.

## **India**

- India has remained under a complete lockdown since 23 March 2020  
The Patalganga operations are accordingly suspended. The Government of India has announced relaxation of the lockdown for industrial activities effective from 20<sup>th</sup> April and production is expected to resume accordingly.

Shishir Kumar Poddar, Executive Chairman & Managing Director of Tirupati said, “We are delighted with the progress that we continue to make across our fully-integrated graphite and graphene operations. Having successfully commenced commercial production in both India and Madagascar, with highly competitive value metrics, the quality of our offering and ability to deliver is clear. Our focus moving forward is to build to the next stage across the projects delivering on our modular development strategy. Alongside this, we continue to target the listing of our company on the London Stock Exchange in the coming months. Of course, given the current COVID-19 pandemic, we are all now facing new challenges. Nonetheless, our focus and the value of our company and our operations remains unchanged and I firmly believe humanity will emerge out of this with new opportunities. We look forward to providing further updates on our activities in due course, and in the meantime, we wish you good health and prosperity. Please stay safe.”

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