

TIRUPATI GRAPHITE PLC



Tirupati Graphite plc ("Tirupati Graphite" or the "Company")

Operations Update

15 August 2019

Tirupati Graphite plc, the flake-graphite company with primary mining and processing projects in Madagascar and downstream processing projects in India, is pleased to provide an operations update across its portfolio.

Highlights

- Ramping up production at 3,000 tpa Sahamamy Project ('Sahamamy'), the first of six planned flake-graphite production plant modules to be built in Madagascar
 - Achieved production rate of c.75% of capacity since commissioning in March 2019 and on target to achieve full capacity in Q4 2019
 - Achieved target grade of up to >95% C and recovery of 85%
 - First shipments of flake graphite made in early May 2019 progressing to total shipments of c.340MT with up to 95% C to European, US and Indian markets
 - Revenues of c. US\$338,000 generated with basket price of US\$991.50/MT, exceeding the Company's initial forecast
 - Operating cost parameters are within forecasts for both mining and processing activities
 - Sales revenues estimated to reach the target US\$3 million annualised from 2020
- Completed commissioning of Patalganga Flame Retardant Graphite Project ('Patalganga') in India
 - Commissioned 1,200 tpa flame retardant expandable graphite, and 1,500 tpa flake graphite finishing facilities
 - Flame-retardant flake graphite product under brand name 'CarboflameX' launched in European and Indian markets
 - First shipments manufactured during trial runs was made in June 2019 with c. US\$60,000 revenues achieved to date
 - Product qualification achieved with 100% target customers approached to date
 - Sales revenues estimated to reach annualised US\$3-4 million from 2020
- On target to commission the 6,000 tpa module at the Vatomina primary flake graphite project in Madagascar during Q4 2019
- Advancing integrated downstream products and Technology and Graphene centre projects in India
 - Detailed feasibility studies completed and land allocation in progress

Shishir Poddar, Tirupati Executive Chairman & Managing Director, said: *"With Sahamamy achieving almost 75% of its target production rate and the construction of the 6,000 tpa module in Vatomina*

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well underway, we are on track to deliver the 2019 milestones on schedule and within budget in Madagascar. Furthermore, the start of production and launch of 'CarboflameX' from the Patalganga flame retardant Graphite plant, illustrates our ability to climb up the value chain ladder, thereby firmly positioning ourselves as a specialist flake graphite company supplying to the extensive arena of fast-growing end markets.

"We are now focussed hitting our 2020 target to reach 27,000 tpa primary flake graphite capacity in Madagascar, as well as commence the first phases of our downstream high purity hi-tech flake graphite products project and Technology and Graphene centre projects in India.

"Our modular development strategy is now bearing fruits as we build significant positive cash flow. For that, I must thank our excellent teams in the UK, Madagascar and India, which are capable of delivering across our projects. I look forward to updating our shareholders with further developments."

Sahamamy Achievements:

Operating Parameter	Target at Steady State	Post Commissioning Achievement To Date
Product Grade	Up to 94% C	Achieved >95% C
Flake Size Distribution (Basket)	35% Jumbo (+50 MESH) 35% Large (+80 MESH) 30% Small (-80 MESH)	>50% Jumbo (+50 MESH) >30% Large (+80 MESH) <20% Small (-80 MESH)
Average Basket Price	US\$ 982/- per MT	Actual selling price of US\$ 991.5/- per MT for c340 tons shipped.
Recovery	>85%	100% of target achieved
OPEX Guidance	Cash cost (C1) <US\$250/tonne	Opex within budget for stage of ramp up, steady state production and costs expected to be achieved during Q4 2019
Head Feed Rate	9.25 MT/hr	On target for stage of ramp up, >90% (8.3 MT/hr) of target rate achieved to date, 100% of target rate to be achieved by end of Q3 2019
Head Feed Grade	TGC 5.5%	On target for stage of ramp up, > 80% (TGC 4.5%) of target achieved, 100% of target rate to be achieved by end of Q3 2019
Production Rate	250 MT/Month	On target for stage of ramp up, >75% (190 MT/Month) of target achieved, 100% of target rate to be achieved by end of Q3 2019
Mining Fleet Capacity	1000 MT/day total earthworks	>100% of target achieved



Picture: Mining operations at Tirupati’s Sahamamy Project, Madagascar, August 2019

****ENDS****

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