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## **Tirupati Graphite plc (“Tirupati Graphite” or the “Company”) Commences first flake-graphite production at newly constructed Madagascar plant**

Tirupati Graphite plc, the flake-graphite company with primary mining and processing projects in Madagascar and downstream processing projects in India, is pleased to announce commissioning of a 3,000 tpa plant at the Sahamamy Project (‘Sahamamy’ or ‘the Project’), the first of six planned flake-graphite production plant modules to be built in Madagascar. This is a major milestone in the Company’s development as it rolls out first production and looks to build its operations to an integrated graphite mining, production and processing company.

### **Highlights:**

- 3,000 tpa primary flake graphite capacity commissioned at Sahamamy Project, Madagascar
- Second module of 18,000 tpa in Sahamamy targeted for Q32020
- High quality flake-graphite being produced at 85% recovery rate, one of the highest in the industry
- Project close to port of Toamasina with good infrastructure connections to international export markets in Europe, North America and Asia
- Additional 6,000 tpa primary flake-graphite capacity at Vatomina project substantially advanced with commissioning targeted early Q3 2019
- SRK Consultants commissioned for an updated joint CPR for both primary flake-graphite mining and processing projects in Madagascar
- Orders from benchmark buyers in various user segments secured for the first production, well on way to secure markets for the 9,000 tpa capacity

Sahamamy, which has a c.8 km<sup>2</sup> mining permit area issued for 40 years and a current JORC resource of c. 13 million tons and additionally resource potential exceeding 15 million tons, is located near the Toamasina port of Madagascar providing excellent routes to market. The Project, which was acquired in January 2018, has a flake-graphite production target of 21,000 tpa capacity; the initial module of 3,000 tpa and a second 18,000 tpa production. Development for the 3,000 tpa module commenced early Q3 2018 with commissioning in February/March. Production is now being ramped up and progressing to rated capacity output. The second 18,000 tpa module is planned for Q3 2020.

The process has established a product basket of circa 60% jumbo, 30% large and 10% small flakes with  $\pm$  5% variation. A recovery of over 85% graphite from the input raw material has been achieved, one of the highest in the industry. The establishment and commissioning of the plant has demonstrated the Company’s ability in various spheres, including:

- a. Sourcing importing commissioning and operating mining equipment fleet and processing plant equipment in Madagascar.
- b. Constructing and commissioning flake-graphite processing plant in record less than 7 months.

- c. Successfully establishing its lean process technology, which provides further leverage and additional information for establishing the follow-on modules.
- d. Its ability to manage in-country activities including importing over 15 containers of plant equipment, spares etc.,
- e. Developing both expat and in-country human resources team for development and production activities.

With several strategic advantages, primarily the quality of the flake-graphite, location and infrastructure connectivity, technology and expertise, the Company is set for further development to reach the 81,000 TPA capacity planned by 2021. Marketing / supply chain has already been established with product being sold into Europe, North America and Asia for conventional as well as new applications. Training of human resources has progressed to adapt to the modern technologies used by the Company.

In addition to employing 70 people directly at Sahamamy, the Company has furthered its community development programme by extending support to the local school – providing of stationary and sports gear, organising football matches, renovating the school building and providing facility for fresh drinking water. With all round development of the Project, Sahamamy is well set to have a place in the world map of flake-graphite and to contribute to the quality of life of the people around the Project.



Fig. Meeting with Minister of Mines, Madagascar on start of first plant

In addition to Sahamamy, progress continues to be made at the Company's flagship Vatomina Project ("Vatomina"), where construction is underway for the first production module of 6,000 tpa and which is scheduled for commissioning in Q2 2019. This will be followed by three successive 18,000 tpa modules. Vatomina covers a 25 km<sup>2</sup> mining permit issued for 40 years and is located 70 km from the Toamasina Port and 8 km aerial distance from Sahamamy. The construction and equipment manufacturing for the first module is progressing rigorously, with ancillary buildings and facilities including the engineering centre constructed and contributing to the project development.

Over the past 15 months, the Company has performed multiple exploration activities including 3,500 metres of diamond core drilling, pitting and trenching, etc. over 2.5 km<sup>2</sup> of the c.6 km<sup>2</sup> mineralised

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area. SRK Consulting has been engaged for an updated joint CPR for both projects in Madagascar and setting in the concept of joint and complimentary nature of the two. The Company expects to roll-out enough resources for >15 years for the target 81,000 tpa production with substantial resource potential to be unearthed by continued exploration over two years.

**Shishir Poddar, Tirupati Managing Director, said:** *“This is another milestone achievement for the Company with our first production at Sahamamy of high-quality flake, which we are already delivering to the international markets. We have achieved this in an extremely short period at industry lowest capex and believe that this proves we have the team and ability to execute our growth strategy of building a fully integrated graphite and graphene production company.*

*“The 3,000 tpa produced at Sahamamy is a first step in building on long term sustainable flake-graphite operations in Madagascar. The plant is modular and with progress being made at Vatomina, our second project, we envisage that we will be producing in excess of 9,000 tpa rate H2 2019. In tandem with plant development, we will continue to confirm up more resource across the mining concessions and expand our marketing efforts.*

*“Stay tuned for our releases on the development of the downstream processing plant and graphene centre planned in India. We are building a vertically integrated company across the value chain to ensure we obtain the highest margin for our high-quality product, create values for our shareholders and contribute to the betterment of the communities we are engaged with.”*

**\*\*ENDS\*\***

For further information please visit [www.tirupatigraphite.co.uk](http://www.tirupatigraphite.co.uk) or contact:

Puruvi Poddar	Tirupati Graphite	Tel:	+91 977 140 0811
Christian Dennis	Optiva Securities	Tel:	+44 203 137 1903
Hugo de Salis	St Brides Partners	Tel:	+ 44 207 236 1177

High resolution pictures available on request, see below for gallery:

Photo Gallery:



Fig. Sahamamy Project – Mining and Processing



Fig. Sahamamy Project – Operations



Fig. Sahamamy Project – Final Product



Fig. Exploration and Construction at the Vatomina Project