

## ASX Announcement

4 July 2017

# Lanka Graphite on Path to First Production and Revenue Generation



### Highlights

- **Artisanal mining license expected to be granted in 2 months**
- **Initial production expected to commence after 6 months**
- **Targeting at least 20 tonnes per month within 6 months of mining commencement and 2000 tonne per annum upon further mining license application**

Lanka Graphite Limited (ASX: LGR, “Lanka”, “the Company”) has recently applied for “category A artisanal mining” at Exploration License EL307. High grade vein graphite mineralisation outcrops from the surface have been identified in this vicinity. Recovery could be made simple by extending the subsurface. Granting of the application will allow Lanka to commence its first graphite production on EL307.

Lanka anticipates that production volume of graphite from near-surface and exposed vein graphite within the target area of EL307 is expected to be at least 20 tonnes per month within six months of commencement. Lanka aims to apply for further artisanal mining licenses at its various Exploration Licenses to increase production to a minimum of 2000 tonnes per annum.

Lanka Graphite, through its completed Phase 1 exploration program, has identified several highly prospective mining sites within its portfolio of Exploration Licenses. The first artisanal mining license application has been lodged for EL307 where visible vein graphite exists at the surface. Based on findings from the Company’s reconnaissance survey, Very Low Frequency (VLF) results have revealed predicted conductive bodies under existing abandoned mines.

### About Artisanal Mining License (AML)

An AML grants the license-holder the exclusive right to mine, process and trade in all minerals specified in the license within an area not exceeding 10 hectares and to a depth not exceeding 25 meters.

**ASX:** LGR

#### Shares on Issue

81,740,085

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Figure 1.

Figure 1. Outcropping and exposed vein graphite at Exploration License EL307

Figure 2. One of few Historical Mining Shaft in EL307

Figure 3. 99%+ Vein Graphite visible on surface of EL307



Figure 2.



Figure 3.



For further information regarding this release or other company enquiries please contact:

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### **About Lanka Graphite**

Lanka Graphite Limited (ASX:LGR) is an ASX listed graphite exploration company that is focused on exploration of a number of historic and new mining tenements in Central and South Western Sri Lanka. Historic mining at a number of the granted tenements produced very high grade 'lump' or vein style graphite with grades >95%C. High purity vein graphite was historically produced from Lanka's tenements at a grade that is also well suited to graphene derivation. Lanka Graphite will commence exploration of its granted tenements with the intention to develop high grade graphite production that can supply nearby Asian end user companies particularly focused on new technology graphene applications. Lanka Graphite maintains the largest portfolio of identified high-grade vein graphite Exploration Licenses in Sri Lanka. At many of the EL's vein graphite outcrops at surface or has been historically mined at shallow depths.