

## ASX Announcement

25 September 2017

# Lanka Graphite to Commence Small Scale Mining



### Highlights

- **In a major step to becoming a graphite producer, Lanka Graphite (“Lanka”) has been granted its first Artisanal Mining License in Sri Lanka.**
- **Lanka is targeting initial production of 20 tonnes per month of ultra-high grade (97% - 99%+ TGC) vein graphite from Q1 2018, ramping up 2,400 tonnes per annum within 2 years.**
- **Lanka is progressing discussions with the multinational graphene company, G<sup>3</sup>, as potential off-take partner in accordance to HOA announced in April 2017.**

Lanka Graphite Limited (ASX: LGR, “Lanka”, “the Company”) is pleased to announce that it has been granted its first Artisanal Mining License in Sri Lanka to commence small scale production at EL307.

The Company is now engaging local miners to start clearance and preparation of the site. Lanka Graphite will engage third party local technical consultants to commence installation of wall support at the identified historic mines.

Additional outcropping high-grade vein graphite mineralisation has been identified near the existing mines. Granting of the application will allow Lanka to commence its first graphite production from EL307.

Lanka is in discussions with G<sup>3</sup> to formalise an off-take agreement to supply high grade vein graphite as a key product to the manufacture of commercial scale single and multi-layer graphene used in value-added graphene enhanced applications. 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 within 2 years.

Lanka Graphite Managing Director, Emily Lee commented, “This is a very exciting phase for the Company to transition from a graphite mining exploration company to a producer. The Company will continue to advance discussions with other multi national high value end users to add value onto our unique Sri Lankan vein graphite product”.

**ASX:** LGR

#### Shares on Issue

81,740,085

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### 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.

### About Global Graphene Group

G<sup>3</sup> is the first world discoverer of graphene in 2002 and a global leader in graphene-enhanced applications. It is also a significant owner of greater than 200 patents with many more in the pipeline. Through these scientific insights and proprietary knowledge, mass production of 300 tonnes of graphene came on stream in 2013. This affords deployment of graphene-enhanced applications in energy storage, industrial durables, consumer electronics, and consumer durable products. Specifically, it is focused on high volume production of graphene raw materials, enhanced thermal interface materials (films, pastes, inks), coatings, nanocomposite products (both thermoplastics and thermosets) and advanced energy storage products.

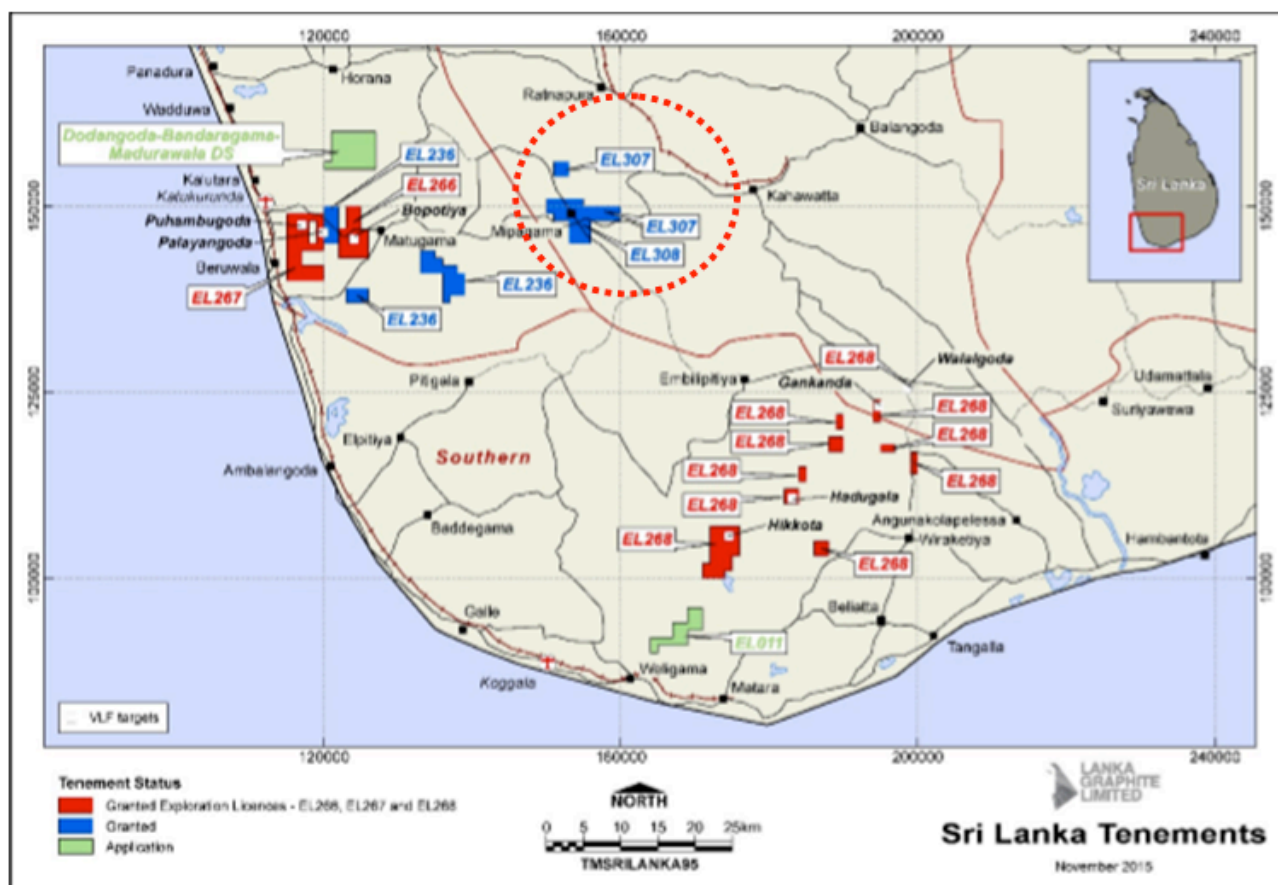


Figure 1. Location of first granted Artisanal Mining License EL307

Figure 2.



Figure 2. Outcropping and exposed vein graphite at Exploration License EL307

Figure 3. One of few Historical Mining Shaft in EL307

Figure 4. 99%+ Vein Graphite visible on surface of EL307

Figure 3.



Figure 4.



**Justyn Stedwell**  
**Company Secretary**

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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 production 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.