

Successful Completion of Major Epanko Environmental and Social Program

Rigorous Process Achieves Leading ESG Standards

EcoGraf Limited (ASX: **EGR**; FSE: **FMK**) is pleased to report the completion of a major environment and social planning update for the Stage 1 development of its Epanko Graphite Project (**Epanko or the Project**) in Tanzania.

Key Highlights

- Completion of environmental and social planning programs in accordance with Equator Principles, Global Industry Standard on Tailings Management (GISTM) and relevant Tanzanian legislation as a key requirement for the Epanko financing process
- Environmental and Social Management Plan (ESMP) updated and reviewed by independent environmental and social consultants as part of financing due diligence processes
- Environmental Social Impact Assessment (ESIA) to be updated with summary of key changes to be provided to the National Environmental Management Council (NEMC) in accordance with Epanko's existing environmental approvals
- Environmental and social work streams and independent reviews indicate no impediments for the development of the Project
- Resettlement Action Plan (RAP) valuation and compensation schedules approved by the Government Chief Valuer
- Appointment of highly experienced Manager to oversee RAP implementation program alongside Manager - Environment and Communities
- Epanko medical dispensary completed and to be handed over to the community as part of the Company's social development program

On signing of the Epanko Framework Agreement with the Government of Tanzania in April 2023, EcoGraf commenced a significant environmental and social update of the Epanko Bankable Feasibility Study (refer ASX announcement *Epanko Pre-Development Program Delivers Outstanding Results* 28 April 2023) to support the financing and development of the Project. Over A\$3.5 million has been invested by the Company over the last two years on programs undertaken by leading international and in-country environmental and social experts to ensure Epanko is developed in accordance with the highest sustainability standards.

The environmental and social update has been conducted in accordance with Equator Principles 4, International Finance Corporation Performance Standards, World Bank Group Environmental, Health and Safety Guidelines, Global Industry Standard on Tailings Management, Tanzanian mining, environmental and resettlement legislation and the Company's sustainability policies.

The completion of the Environmental and Social program follows the recent granting of the Special Mining Licence (SML) which fully supports the initial mine life of 18 years, on which the current feasibility study is based, with the right to extend to 25 years or beyond subject to the potential future mine life of the Ore Reserves. The company will update the SML along with revision of the Life of Mine Plan.

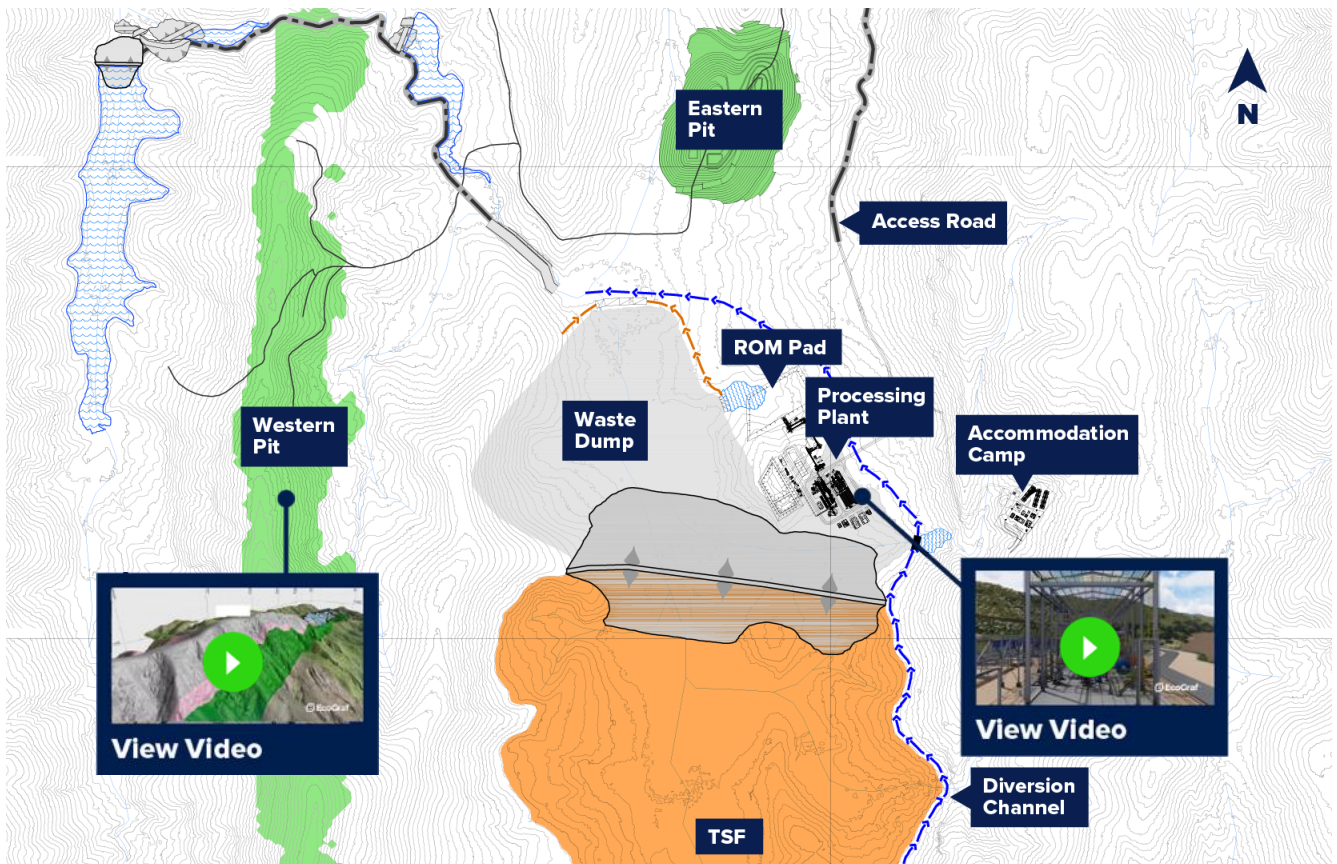


Figure 1 – Plan view of proposed Epanko Graphite Project infrastructure ¹

The key programs completed as part of this program include:

Environmental

- Biodiversity surveys and critical habitat assessments, providing baseline data for on-going management plans, confirming the existing environment is highly degraded due to subsistence farming slashing and burning practices, as well as significant deforestation from large scale hardwood logging during the 1960's – 70's.
- Surface and hydrogeological modelling has demonstrated that the Project has sufficient process water and has enabled the development of the water discharge management systems. This includes water capture and discharge from the Water Storage Dam (WSD), dewatering of the mining operations and managing rainwater flows in and around the Tailings Storage Facility (TSF), which have been designed to provide sufficient water storage capacity during both extreme wet and dry conditions.
- Tailings Storage Facility (TSF) evaluation, design and expansion planning successfully completed by consultants Knight Piésold, incorporating additional data from the 2024 drilling program¹ and the updated environmental studies, to ensure compliance with the Global Industry Standard on Tailings Management.
- Development of a conceptual mine closure plan to inform future closure designs

¹ Refer ASX announcements dated 15 August 2024, 21 October 2024 and 28 October 2024



Social and Community

- Surveying of households and landholdings within the Project area to generate updated social data and compensation arrangements.
- Establishment of Resettlement Working Groups and close collaboration with the Epanko Village and various Government authorities to actively engage with affected communities and stakeholders on resettlement planning activities and outcomes.
- Confirmation and valuation of potential resettlement areas proposed by villagers within the Project area and assessment of new housing and community infrastructure requirements resulting in the selection of the final resettlement site.
- Community health, human rights, social and labour planning assessments.

Stakeholder engagement on Project development impacts is on-going with relevant Government agencies at the National, Regional and District level, and with the affected communities, including those along the Epanko access road.



These work streams have enabled completion of the following documents, comprising the 2025 Epanko Environmental and Social Management Plan:

Environmental

- EMP01 Air Quality Management Plan
- EMP02 Noise and Vibration Management Plan
- EMP03 Water Resources Management Plan
- EMP04 Biodiversity Management Plan
- EMP05 Non-Mining Waste Management Plan
- EMP06 Hazardous Materials Management Plan
- EMP07 Tailings Management Plan
- EMP08 Soils, Erosion and Sedimentation Management Plan
- EMP10 Alien Invasive Species Management Plan
- EMP12 Emergency Preparedness and Response Plan

Social and Community

- SMP01 Stakeholder Engagement Plan
- SMP02 Community Health, Safety and Security Plan
- SMP03 Artisanal and Small-Scale Mining Interface Plan
- SMP04 Traffic and Road Safety Management Plan
- SMP05 Cultural Heritage Management Plan

An updated Environmental Social Impact Assessment report summarising key ESMP changes will now be submitted to Tanzania's National Environment Management Council, consistent with the Environmental Approval² previously granted.

The Government Chief Valuer has recently approved the updated Epanko valuation schedules for Project affected persons completed as part of the 2025 Epanko Resettlement Action Plan. In preparation for the planned construction phase, the Company has appointed a highly experienced Manager - RAP, who will work with the Manager - Environment and Communities to oversee resettlement activities with the community in accordance with the Equator Principles.

EcoGraf remains committed to the highest standards in terms of environment, social and governance responsibility, including developing and implementing planning frameworks that are aligned with the following:

- IFC Performance Standards ("IFC PS");
- Equator Principles IV ("EP IV"); and
- Global Industry Standard on Tailings Management ("GISTM");
- Sustainable Development Goals ("SDGs");
- Global Reporting Initiative Standards ("GRI");
- Initiative for Responsible Mining Associations ("IRMA") Standards



² Refer ASX announcement dated 20 July 2017

The Company is also pleased to report the completion of the Epanko medical dispensary. The handover ceremony with local Government officials and community leaders is scheduled for this month. The facility will provide medical assistance for Epanko villagers and reduce their requirement to travel to Mahenge to receive care.



The Epanko development is set to provide transformational and inter-generational financial and social upliftment for the region, with a strong multiplier effect across the economy, providing opportunities for an estimated 4,500 indirect employees and generating a forecast US\$9+ billion additional indirect economic benefits over the life of the mine³.

A summary of the various social development activities at Epanko is shown in below.



Medical dispensary



School supplies donations



New primary school facilities



Sponsoring students



Community consultations



Event sponsorship



Orphanage donations



Hospital donations

This announcement is authorised for release by Andrew Spinks, Managing Director.

³ Refer ASX announcement dated 21 November 2024

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Forward looking statements

Various statements in this announcement constitute statements relating to intentions, future acts and events. Such statements are generally classified as “forward looking statements” and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. The Company gives no assurances that the anticipated results, performance or achievements expressed or implied in these forward-looking statements will be achieved.

About EcoGraf

EcoGraf is building a vertically integrated battery anode materials business to produce high purity graphite products for the lithium-ion battery and advanced manufacturing markets. Over US\$30 million has been invested to date to create a highly attractive graphite business which includes:

- Epanko Graphite Mine in Tanzania;
- Mechanical Shaping Facility in Tanzania; and
- EcoGraf HF^{free}® Purification Facilities located in close proximity to the electric vehicle, battery and anode manufacturers.

In Tanzania, the Company is developing the TanzGraphite natural flake graphite business, commencing with the Epanko Graphite Project, to provide a long-term, scalable supply of feedstock for EcoGraf® battery anode material processing facilities, together with high quality large flake graphite products for specialised industrial applications.

In addition, the Company is finalising its planned location for its Mechanical Shaping Facility in Tanzania, which will manufacture natural flake graphite into spherical graphite (SPG). This mechanical micronising and spheronising is the first step in the conversion of high-quality flake graphite concentrate into battery grade anode material used in the production of lithium-ion batteries.

Using its environmentally superior EcoGraf HF^{free}® purification technology, the Company will upgrade the SPG to produce 99.95%C high performance battery anode material to supply electric vehicle, battery and anode manufacturers in Asia, Europe and North America.

Battery recycling is critical to improving supply chain sustainability and the Company's successful application of the EcoGraf® purification process to recycle battery anode material provides it with a unique ability to support customers to reduce CO₂ emissions and lower battery costs.

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