

ASX Announcement

By eLodgement

30 May 2022

New IG6 drilling program aims to significantly expand graphite resource at Springdale

HIGHLIGHTS

- International Graphite Limited (ASX: IG6) is ramping up drilling and exploration activity at its Springdale Graphite Project, in Western Australia.
- A series of targets considered highly prospective for additional high quality graphite mineralisation have been earmarked for further investigation.
- A 7,100m RC and PQ/HQ diamond drilling program has been commissioned to prove up additional mineral resources and increase confidence in existing mineral resources.
- An Exploration Target of 18Mt to 54Mt, at 4% to 18% Total Graphite Content ("TGC"), has been estimated for the Springdale Project, not including the current Mineral Resource Estimate ("MRE").
- This Exploration Target is in addition to the current MRE (Table 1) of 15.6Mt at 6% TGC and does not take into account the future growth potential of existing mineral resources.

Cautionary Statement

The Exploration Targets reported in this announcement are not Mineral Resources. The potential quantity and grade of the Exploration Targets are conceptual in nature and there has been insufficient exploration to determine a Mineral Resource. There is no certainty that additional exploration work will result in the estimation and reporting of Mineral Resources.

A new exploration and resource drilling program at Springdale is the first campaign of work planned to be undertaken by International Graphite at Springdale since it listed in April this year. It builds on the work undertaken by Comet Resources Ltd (ASX:CRL) to develop an inferred mineral resource at the site.

International Graphite Executive Chairman Phil Hearse said, "This is the first drilling program we have initiated at Springdale and is part of our campaign to actively explore for new graphite targets and to expand the existing resource and upgrade confidence from inferred to indicated status.

"We will also be using diamond drilling that will generate samples for further metallurgical testwork and downstream battery anode testing.

"This is a significant step in our plans to develop Springdale as a source of high-quality graphite feedstock for our proposed Collie downstream processing operation and key to our future production of battery anode materials to meet the escalating demand in global battery markets."

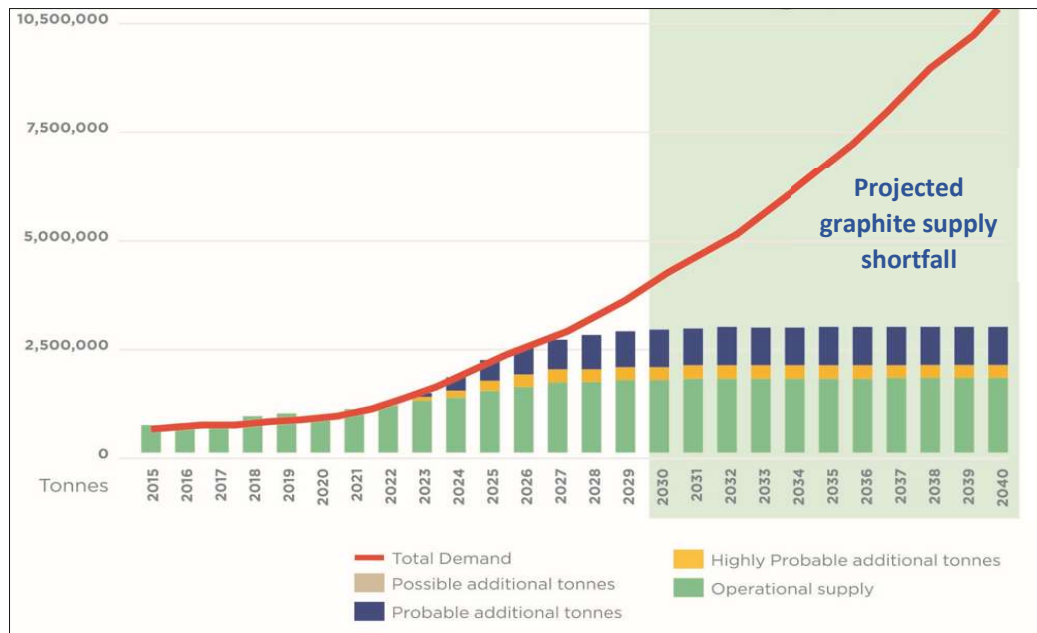


Figure 1: Projected graphite demand vs supply to 2040 - Benchmark Mineral Intelligence Q4 2021 Forecast

Springdale Graphite Project

The Springdale Graphite Project (“Springdale” or the “Project”) is a shallow graphite deposit with excellent metallurgical characteristics for battery anode material and extensive prospectivity for additional resources.

The project is well positioned on the western margin of the Esperance-Goldfields District in Western Australia, in what is becoming a key mining hub around the town of Ravensthorpe. The Project is 25km from the Ravensthorpe nickel mine and 45km from the Galaxy lithium mine.

Subject to definition of JORC reserves, International Graphite intends to develop an operation at Springdale that will produce graphite concentrates as primary feedstock for the Company’s planned downstream processing facilities at Collie, Western Australia.

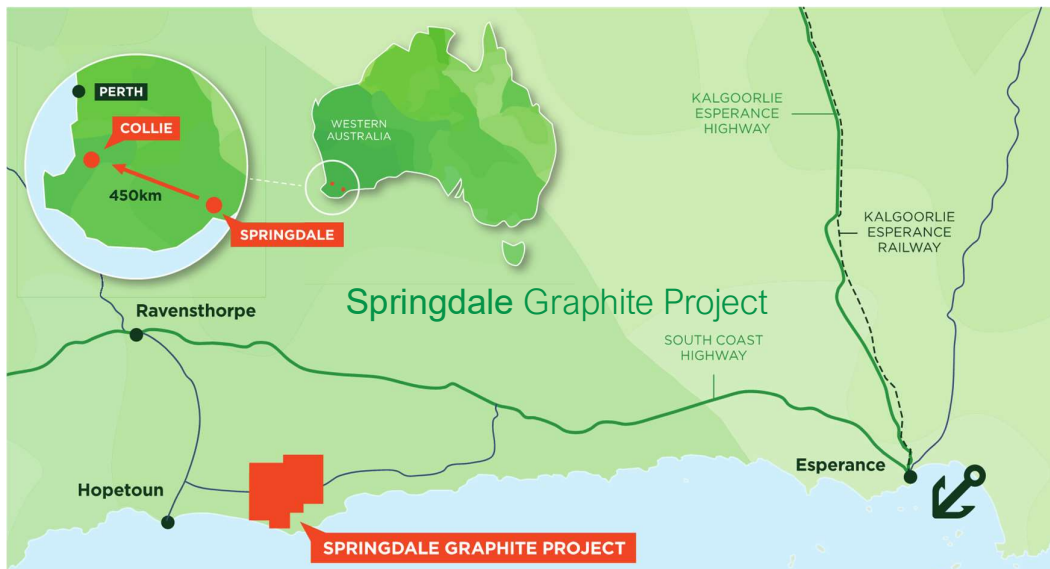


Figure 2: International Graphite project location plan

The Project has a demonstrated endowment for high-quality graphite mineralisation with a current JORC Compliant Inferred MRE of 15.6Mt @ 6% TGC including a high-grade component of 2.6Mt @ 17.5% TGC (See Table 1 for details).¹

Domain	Tonnes (Mt)	Density (t/m ³)	Graphite (TGC%)	Classification
High-grade	2.6	2.1	17.5	Inferred
Low grade	13.0	2.2	3.7	Inferred
Total	15.6	2.2	6.0	Inferred

Table 1: Springdale Project Inferred Mineral Resource Estimate

Mineral Resource Drilling

Design and planning for the initial phase of resource infill and expansion drilling has been completed and statutory approvals for the drilling program are due. Drilling contractors are currently being assessed.

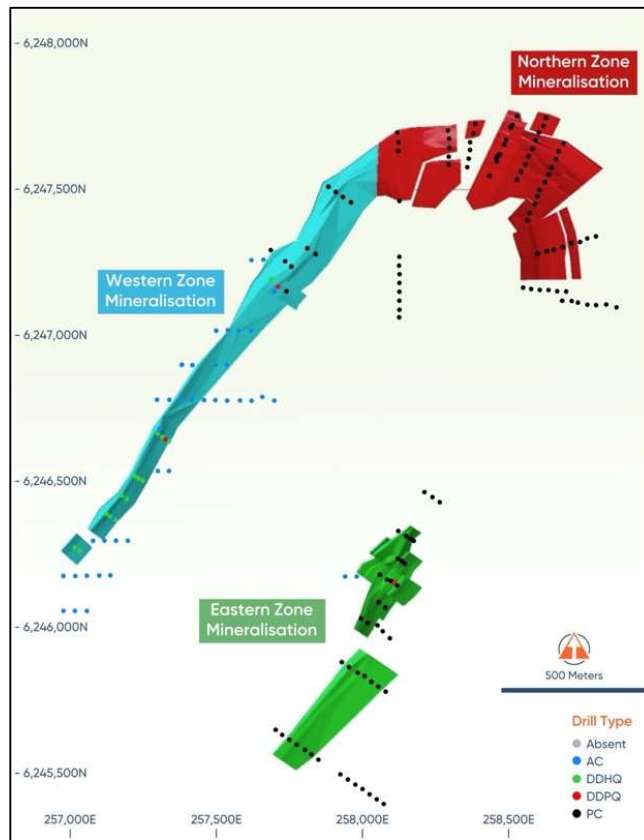


Figure 3: Mineralisation zones and distribution of drilling used in the Inferred MRE

An initial program of 54 drill holes for approximately 3,300m of reverse circulation (RC) and 12 drill holes for approximately 900m of diamond drilling (DD) will target the Western Zone and Eastern Zone resource domain to improve the confidence of the resource, provide additional samples for ongoing metallurgical test work and provide data for initial geotechnical assessments and mine planning (Figure 4).

A similar program on the Northern Zone Resource is expected to follow, subject to statutory approvals.

¹ Refer to the Company's Prospectus dated 21 February 2022 as updated by the Supplementary Prospectus dated 4 March 2022 for further details regarding the Mineral Resource Estimate, including the Independent Technical Assessment Report in respect of the Springdale Project.

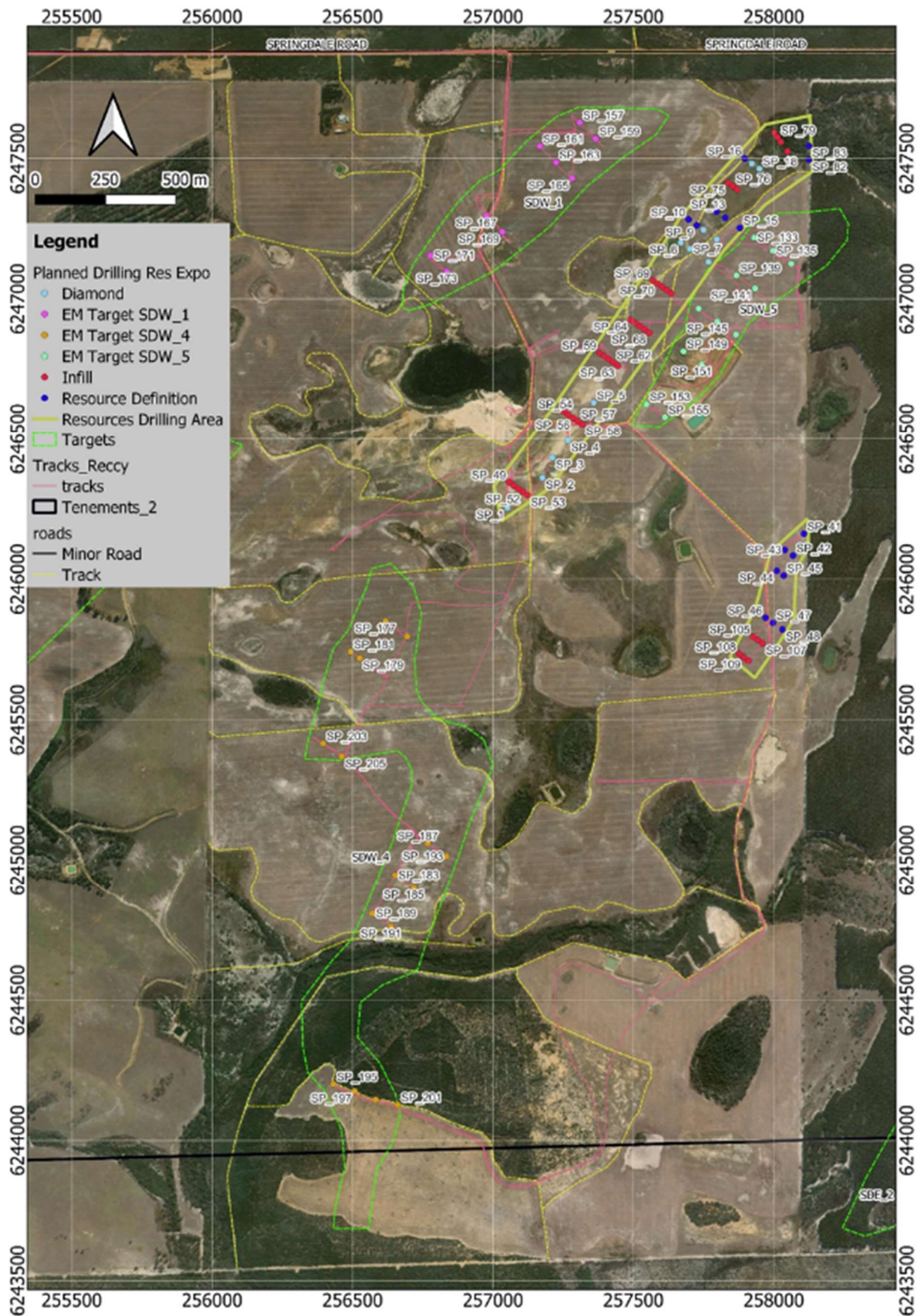


Figure 4: Planned drill holes

Exploration

Since acquiring Springdale, International Graphite has completed a thorough review of the minerals prospectivity across its tenements. Graphite mineralisation is typically highly conductive and electromagnetic (“EM”) geophysical techniques are very effective as a mapping tool. Graphite mineralisation coincides with every EM conductor tested to date – even the weaker responses have graphite.

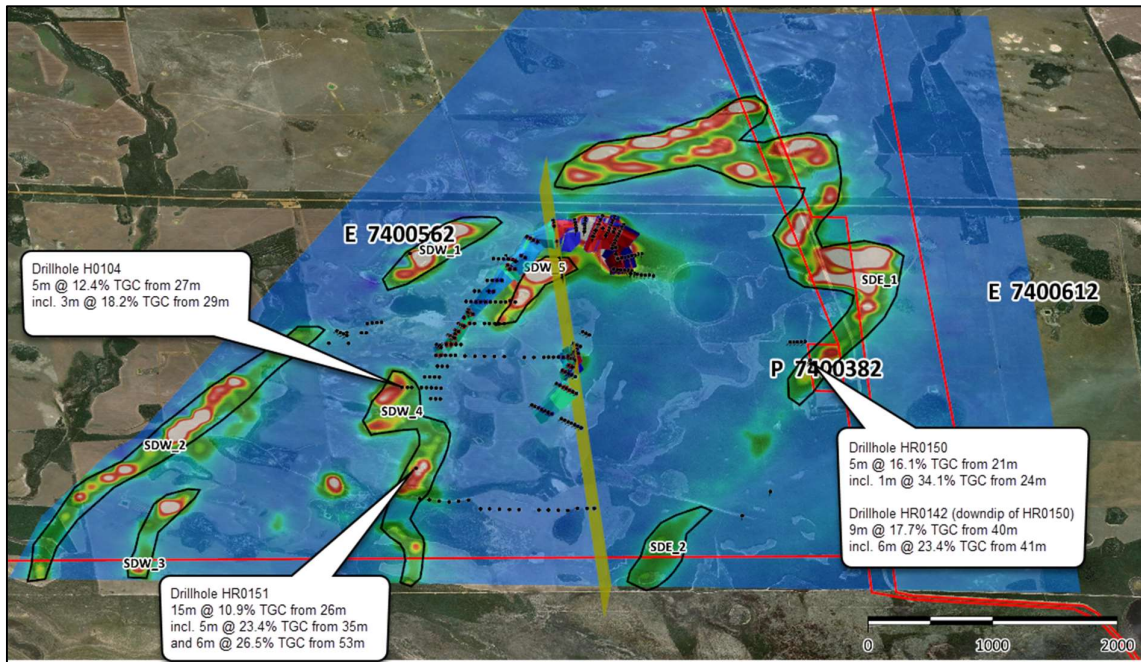


Figure 5: Airborne Electromagnetic Image showing graphite stratigraphic targets in relation to the MRE

Figure 5 shows a series of well-delineated airborne electromagnetic (“AEM”) conductors within 3km of the existing Springdale MRE on a small portion of the tenements. An initial drilling program of 37 RC drill holes, for approximately 2,800m, will be used to determine their prospectivity.



Figure 5: IG's Consulting Geologist Darren Sparks meets with landowners Paul and Anne Bell at Springdale, 26 May 2022

Using a combination of exploration data consisting of mapping and drilling and geophysical modelling of EM data collected, the Company is estimating an **Exploration Target (excluding the existing Mineral Resource Estimate)** of **18 – 54Mt @ 4 – 18% TGC**.

The Exploration Target is derived from the areas identified in Figure 5 as SDW_1, SDW_2, SDW_3, SDW_4, SDE_1 and SDE_2. Drillholes highlighted are either single holes or single fence (SDE_1) and all conductors remain completely open and are considered untested for economic quantities of graphite. The areas are summarised as follows and ranked VTEM conductors and size potential detailed below in Table 2.

- **SDW_1** – Untested 950m long strong conductor → 1.0- 3.0Mt – Priority 1.
- **SDW_2** – Untested 3.8km long moderate conductive zone with multiple strong responses → 4.0 – 12.0Mt – Priority 1 open to the south.
- **SDW_3** –Untested 930m long conductor with one strong response → 1.0 – 3.0Mt – Priority 2 open to the south.
- **SDW_4** – 2.6km moderate conductive zone with significant graphite intersected at the central conductor → 3.0 – 8.0Mt – Priority 1 – fold hinges present and open to the south.
- **SDW_5** – Untested 980m long strong conductor may represent thicker higher-grade zones of the western resource limb at depth or untested zone → 1.0 – 3.0Mt – Priority 1.
- **SDE_1** – Untested 7km long strong conductive corridor with multiple very strong conductive zones and fold hinges, significant graphite intersected at the tip of the SE limb → 7.3 – 22.0Mt+ - Priority 1 but crosscut by miscellaneous license adds difficulty to test the best zone.
- **SDE_2** – 900m long conductor → 0.95- 3.0Mt – Priority 3 but open to the south.

Target	Target Case	RL	Ave Thickness (m)	Volume (m3)	SG	Tonnes	Grade Range (% TGC)	
SDW_1 950m strike	Low	0 - 100m	5	475,000	2.1	997,500	4	18
	Mid		10	950,000	2.1	1,995,000	4	18
	High		15	1,425,000	2.1	2,992,500	4	18
SDW_2 3800m strike	Low	0 - 100m	5	1,900,000	2.1	3,990,000	4	18
	Mid		10	3,800,000	2.1	7,980,000	4	18
	High		15	5,700,000	2.1	11,970,000	4	18
SDW_3 930m strike	Low	0 - 100m	5	465,000	2.1	976,500	4	18
	Mid		10	930,000	2.1	1,953,000	4	18
	High		15	1,395,000	2.1	2,929,500	4	18
SDW_4 2600m strike	Low	0 - 100m	5	1,300,000	2.1	2,730,000	4	18
	Mid		10	2,600,000	2.1	5,460,000	4	18
	High		15	3,900,000	2.1	8,190,000	4	18
SDW_5 980m strike	Low	0 - 100m	5	490,000	2.1	1,029,000	4	18
	Mid		10	980,000	2.1	2,058,000	4	18
	High		15	1,470,000	2.1	3,087,000	4	18
SDE_1 7000m strike	Low	0 - 100m	5	3,500,000	2.1	7,350,000	4	18
	Mid		10	7,000,000	2.1	14,700,000	4	18
	High		15	10,500,000	2.1	22,050,000	4	18
SDE_2 900m strike	Low	0 - 100m	5	450,000	2.1	945,000	4	18
	Mid		10	900,000	2.1	1,890,000	4	18
	High		15	1,350,000	2.1	2,835,000	4	18
Total	Low	0 - 100m	5	8,580,000	2.1	18,018,000	4	18
	Mid		10	17,160,000	2.1	36,036,000	4	18
	High		15	25,740,000	2.1	54,054,000	4	18

Table 2: Springdale Project Exploration Target potential range

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A series of regional targets across the wider tenement footprint has been identified in the airborne magnetic data as having a similar structural setting to that at the Springdale MRE (Figure 6). Due to the physical nature of the graphite mineralisation, it is potentially thickened and upgraded in the nose of folds.

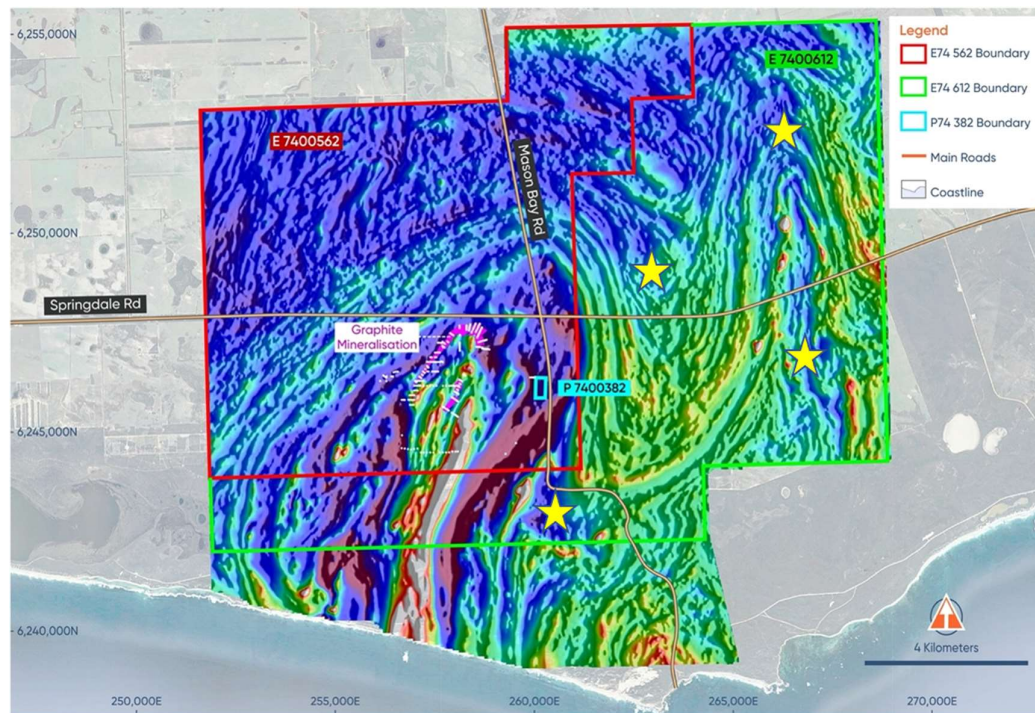


Figure 6: Airborne Magnetic Image (TMI) covering the wider Springdale Project and showing regional targets

Southern Geoscience Consultants have been appointed to process and model existing HELITEM geophysical data to delineate additional exploration targets across the balance of the tenement package (Figure 6).

COMPETENT PERSONS STATEMENT

The information in this announcement which relates to exploration targets, exploration results or mineral resources is based on information compiled by Mr. Darren Sparks and reviewed by Mr. Peter Langworthy. Mr. Sparks is the Principal Consultant and fulltime employee of OMNI GeoX Pty Ltd. He is a member of the Australian Institute of Geoscientists ("AIG"). Mr. Sparks and Mr. Langworthy have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr. Sparks and Mr. Langworthy consents to the inclusion of the information in this announcement in the form and context in which it appears.

The Competent Person confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

This announcement has been authorised for release by the Board of Directors of International Graphite.

Phil Hearse
Executive Chairman

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ABOUT INTERNATIONAL GRAPHITE

International Graphite is an emerging supplier of processed graphite products, including battery anode material, for the global electric vehicle and renewable energy markets.

The Company is developing a sovereign Australian 'mine to market' capability, with integrated operations wholly located in Western Australia. The Company intends to build on Australia's reputation for technical excellence and outstanding ESG performance with future mining and graphite concentrate production from its 100% owned Springdale Graphite Project and commercial scale downstream processing at Collie. International Graphite is listed on the ASX (ASX: IG6) and Frankfurt Stock Exchange (FSE:H99) and is a member of the European Battery Alliance ([EBA250](#)) and European Raw Minerals Alliance ([ERMA](#)).