

International Graphite Limited (ASX:IG6) - Update

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Recommendation

Speculative Buy

Company Statistics

Share Price	\$0.19
12 Month Trading Range	\$0.15 - 0.435
Market Cap	\$31.57m
Enterprise Value	\$29.57m
Listed Shares	166.16m
Options (Unlisted)	13.05m
Performance Rights	14.90m
Cash Balance (*est.)	\$2.0m*
Debt	Nil

Major Shareholders

Comet Resources Limited	24.1%
Juad Pty Ltd	7.7%
BNP Paribas Nominees Pty Ltd HUB24	2.8%
Mr Matthew Norman Bull	2.1%
98 Investments Pty Ltd <98 Investments A/C>	1.8%
Directors & Management (*est.)	16.0%*

Directors & Management

Mr Phillip Hearse	Executive Chairman
Mr Andrew Worland	Managing Director
Mr David Pass	Non Exec Director
Mr Matthew O'Kane	Non Exec Director

Share Price Performance



Key Investment Highlights

We continue to place a Speculative BUY recommendation on IG6. We have refrained from providing a price target until the end of the year when we expect to be in further receipt of ASX announcements relating to progress updates on the continued development of the Collie operations including next quarter's commissioning of the qualification plant. We also anticipate the release of a series of positive updates from Springdale as feasibility studies looking into Integrating Springdale with Collie progress to finalisation.

New Substantially Improved Springdale Resource Estimate Underpins Clear Route to Commercialisation

IG6 Remaining Firmly On Track to be a Near Term Commercial Producer of Future Green, Ethically Sourced, Vertically Integrated, Downstream Graphite (BAM) Products, Independent of China Supply

Investment Overview

International Graphite Limited (ASX: "IG6" or "the Company") since listing in April 2022 has remained unfaulted on its course aiming at not just becoming a standard graphite miner and producer of export grade concentrate, but also focussing on the development of a commercial downstream graphite processing business. The Company plans to treat its future domestically mined Springdale graphite concentrates at its Collie WA facility, producing finished graphite products for specialised industry applications and Battery Anode Material ("BAM") for the growing global demand for Lithium Ion batteries.

IG6 has recently achieved a number of key outcomes and milestones which has prompted us to highlight them and explain their significance.

Springdale: New Resource Estimate - Key To Integrating Springdale With Collie Down Stream Processing Facility

On 12th September 2023 IG6 announced a substantially improved JORC Indicated-Inferred Mineral Resource Estimate (MRE) for Springdale of 49.3Mt grading 6.5% TGC. (Previous 15.6Mt grading 6.0% TGC) The release of this new MRE is an important milestone for the Company as prior to its release, the previous estimate was only reported at an Inferred category level. This inhibited the undertaking of feasibility studies looking into developing a mine at Springdale and integrating it with the Collie downstream operations. Full integration of Springdale with Collie is IG6's vision, ultimately aiming on achieving full 'Supply Chain Custody' to meet western offtake customers needs.

This higher confidence category MRE now provides for the first time a substantially de-risked estimate of sufficient size for economic studies to now be undertaken looking into supplying, on a self sufficient basis, the Collie operations with decades of graphite.

Springdale: Deposit Grade Uniformity & Fine Grain Size Considered Favourable for BAM process

Detailed metallurgical analysis undertaken has demonstrated that concentrate derived from Springdale with its uniform high grade and fine grained nature is ideally suited for the production of high value micronised and spheroidised graphite used in the manufacture of BAM. This combined with a now sizeable MRE, bodes significantly to Springdale vying to be a globally significant source of, traceable quality graphite to the BAM industry.

Collie: Receipt of Approvals For the Construction of New Graphite Micronising Plant Infrastructure. Government Funding Assistance Application Pending

On 24th August 2023 IG6 announced works approval had been received from the WA Department of Water & Environmental Regulation to install new graphite micronising equipment and associated infrastructure at the Collie site. This timely approval comes just prior to the imminent delivery of the Company's new qualification plant.

With IG6's strategic choice of site in Collie being an eligible contender for the WA Governments Collie Industrial Transition Fund grant, the Company has made an application for financial assistance in the continued commercial development of the Collie operations. A successful application, following success from the federal government would provide additional funding support for IG6's activities.

Collie: Micronising Plant Delivery Imminent - The First of its Kind in Australia

We understand the delivery to site of the custom Canadian made qualification plant is imminent. Capable of producing 100-200tpa, the qualification plant is the next step addition to the currently operating pilot processing plant and is intended to now produce a commercial micronised graphite product for quality and performance evaluation by potential offtake customers. Following the earlier success of the R&D Pilot plant, the installation of the qualification plant is the next phase in developing the downstream business

Earlier on 26th April 2023 IG6 released the results of its Collie scoping study which highlighted a modular approach to developing the proposed Collie Graphite BAM Facility would produce outstanding commercial returns from the production of high grade BAM for the lithium-ion battery industry.



Overview Summary

A low capitalised Australian domiciled graphite company with much to offer over its sector peers at a time when global demand for graphite is forecast to exceed well beyond current global supply starting 2024

We believe management's innovative experience in graphite production & downstream graphite processing, to be an exceptionally strong Competitive Advantage over sector peers

Aiming to be Western Australia's first "Mine to Market" integrated downstream graphite company

The world has a critical need to diversify supply chains away from China which controls the downstream processing of graphite products.

Figure 1 Right: General location map of IG6's Springdale Graphite Project and the Company's Collie downstream processing site in Western Australia

Shareholders of western industries and consumers now expect their products to contain ethically sourced commodities with graphite being no exception. This adds additional immense pressure to an already tight supply chain

Attaining Supply Chain Custody is top of IG6's agenda with Collie (downstream processing) and Springdale (Graphite mine), both located in WA fitting that bill

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Managements Experience in Graphite Production & Downstream Processing, a Competitive Advantage

We recognised early that IG6 has a substantial competitive advantage over its peers in that the Company's board & senior management could arguably be described as possessing unique innovative experience in graphite production and downstream graphite processing. This has been gained over several years as owner operators of a private leading graphite metallurgy and process engineering firm that has successfully assisted numerous listed and private graphite companies undertake Definitive Feasibility Studies on graphite production and downstream graphite processing as well as providing and advising on key marketing intelligence.

Strongly Positioned to Oversee the Development of an Australian Domiciled Vertically Integrated Graphite Business

IG6 remains well positioned to oversee the development of its Australian domiciled vertically integrated graphite business, capable of mining domestic raw graphite and applying leading edge graphite processing technology, precipitating in the production and sale of high end, high value, graphite products to multiple specialist graphite industries and the BAM market.

An Excellent Time to Be Developing a Fully Integrated Graphite Business As The World Starts to Scramble for Ethically Sourced Supply, Independent of China

IG6's existence has come at a time when global demand for graphite in battery applications including those in electric vehicles, static industrial storage and specialist industrial applications is forecast to exceed well beyond current global supply capacity starting in 2024.

The world's urgent need to diversify graphite and graphite product supply chains away from China can not be overemphasised. China not only alarmingly strategically dominates graphite processing and the production of downstream graphite products from a global perspective, but also controls a less than transparent heavily polluting industry where multiple Chinese resellers purchase graphite from multiple mines making traceability of the graphite near impossible to ascertain. This then has knock-on effects in the sector's inability to provide product consistency, reliability and growth.



Supply Chain Custody Top of IG6's List

Attaining 'Supply Chain Custody' assurance to its future customers is top of IG6's list as the Company recognised early on that this is not only essential but now critical to the supply of battery raw materials.

Customers and governments alike are now needing to know; such products are ethically sourced, the efficacy of the processing used, a measure of the products carbon footprint and the environmental, social and governance applied during their creation. By setting up downstream processing operations in Western Australia and sourcing domestic graphite feed from its wholly owned Springdale project, IG6 plans to ensure Supply Chain Custody, developing a business in full control from mine to market processed and refined product for market off-takers.



Springdale Graphite Project, Hopetoun, Western Australia (IG6 100%)

Well Positioned to Supply Long Term Feedstock to IG6's Collie Operations

Springdale Graphite Project a perfect fit for IG6 in being able to in-house supply suitable high quality graphite for Collie's downstream operations to fulfil IG6's vision of developing a business with total 'Supply Chain Custody'

With the long term sustainable supply of suitable high quality graphite concentrate to feed its planned Collie Operations, enabling *supply chain custody*, firmly in its vision, IG6 has since IPO progressed the development of its Springdale Graphite Project, located 450km southeast of Collie.

The Company's first step was to undertake a series of successful drill programs aiming at defining new mineralisation (additional tonnes) and potentially increasing grade beyond that of a historical JORC Inferred category MRE. In addition, the new drilling has also aimed at infilling gaps in the current drill coverage and provide fresh sample material for new metallurgical testwork.

New Mineral Resource Estimate Now Allows Feasibility Work Investigating the Potential of Establishing Future Mining Operations at Springdale & Integrating Future Production with the Collie Downstream Operations

On 12th September 2023 IG6 announced the results of a substantially improved JORC Indicated-Inferred MRE for Springdale of 49.3Mt grading 6.5% TGC (2% cut). This is a substantial improvement on the earlier inferred only category MRE which previously stood at 15.6Mt grading 6.0% TGC.

Table 1 Right :Springdale JORC 2012 Mineral Resource Estimate (at 2% TGC cut) Source: IG6 Announcement 12th September 2023

Classification	Springdale Graphite Project – September 2023		
	Tonnes (Mt)	Graphite (TGC%)	Contained Graphite (Mt)
Indicated	11.5	7.5	0.9
Inferred	37.8	6.1	2.3
Total	49.3	6.5	3.2

The new significantly improved MRE with its new Indicated category component allows IG6 for the first time to undertake feasibility work looking into developing a mine at Springdale capable of being integrated into the supply chain with the Collie downstream processing operations

The release of this new MRE is an important step for the Company as prior to its release, the previous estimate at an Inferred category level only, inhibited the undertaking of mining feasibility studies and key economic studies looking into integrating a future planned Springdale mine with the Collie downstream operations.

The new MRE also incorporates a very small portion of the new *Mason Bay* discovery which has resulted in slightly increasing the new MRE's overall grade as well as tonnage.

Table 2 Right : Springdale JORC 2012 Mineral Resource Estimate (at 2% TGC cut) deposit breakdown

	Springdale Main			Mason Bay			Total		
	Tonnes (Mt)	Graphite (TGC%)	Contained Graphite (Mt)	Tonnes (Mt)	Graphite (TGC%)	Contained Graphite (Mt)	Tonnes (Mt)	Graphite (TGC%)	Contained Graphite (Mt)
Indicated	8.8	7.6	0.7	2.7	7.1	0.2	11.5	7.5	0.9
Inferred	36.2	6.1	2.2	1.5	6.0	0.1	37.7	6.1	2.3
Total	45.0	6.4	2.9	4.3	6.7	0.3	49.3	6.5	3.2

Source: IG6 Announcement 12th September 2023

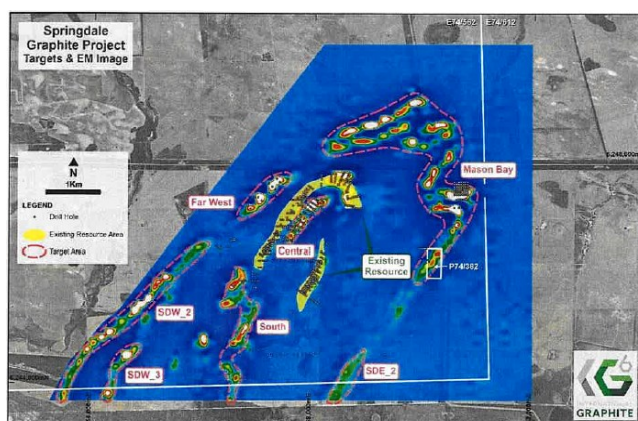
This higher confidence category MRE now provides for the first time a substantially de-risked estimate of commercially significant size and interest for economic studies to now be undertaken looking into supplying The Company's Collie operations with what would be decades of graphite concentrate feedstock.

Whilst mining feasibility work has only just commenced, we envisage a timely outcome. Making the assumption the outcome is commercially favourable, we tentatively envisage production and trucking of first concentrates from Springdale to Collie, (assuming a smooth approvals, financing, building and commissioning process), commencing early 2025.

Figure 2 Right: Current Springdale resource area v's target areas remaining outside of the resource boundaries

The plan highlights Springdale's strong potential for future resource increases

Source: IG6 Announcement 12th September 2023





Collie Downstream Operations, Western Australia (IG6 100%)

Stage 1 R&D facility now operating demonstrating Proof of Concept. Imminent arrival and installation of a new custom made Qualification plant, the next stage

The choice of site was strongly influenced by the overwhelming support for the Company from the local community and local and state government

Stage 2 installation of the new Qualification plant aims to produce important commercial size samples for prospective customers and offtakers seeking supply of high end downstream graphite products. The samples will be of sufficient size to allow them to undertake their own detailed testwork, prior to any commercial offtake discussion.

(NB) The plant will after serving its initial purpose of supplying qualified product for offtakers will continue on to produce commercial amounts of product for sale

In September 2022 after moving into new premises on a carefully evaluated and chosen site in Collie, the Company installed and commissioned an R&D pilot facility. This successfully demonstrated *proof of concept* by producing micronised and spheroidised graphite product within current international BAM specifications. The facility is now being added to by the imminent arrival of a new custom made qualification plant which is now the next planned step in the gradual transition and integration into existing facilities that will be developed as part of the Company's future commercial production base.

Collie was by no means a random choice of site. It was carefully selected as a focal processing point due to several reasons, the largest of which were its inclusion in Western Australia's *Future Battery Industry Strategy* (discussed in our initiating coverage research paper), considerable community support, already established infrastructure the Company is able to leverage off, an available skilled workforce and access to a potentially low cost power base which is transitioning from coal to local alternative green energy sources.

IG6 has also benefitted from being eligible for local government grants to develop its business. In September 2021 the Company was awarded a \$2million grant from the Collie Futures Industry Development Fund (CFIDF) to assist in funding the development of its pilot "WA Collie Micronising Plant". That supportive grant and its successful deployment has opened up the opportunity to attract further state and federal funding assistance. In May 2023 The Company received a \$4.9m grant from the federal government's Critical Minerals Office. We understand the Company has also applied for a further grant from the Collie Transition Fund. Whilst its certainly not a given at this point that IG6 will be successful in its application, we understand the Company believes it has a good chance of being successful to a similar extent to the federal grant.

The availability of grants highlights strategically and critically how important the Collie downstream processing operation is to not just the area for employment but also government as a flagship example of demonstrating Australia can do onshore downstream value adding in the sector well beyond just the traditional mining and exporting commodity concentrates with the aim of retaining more of the downstream value creation onshore.

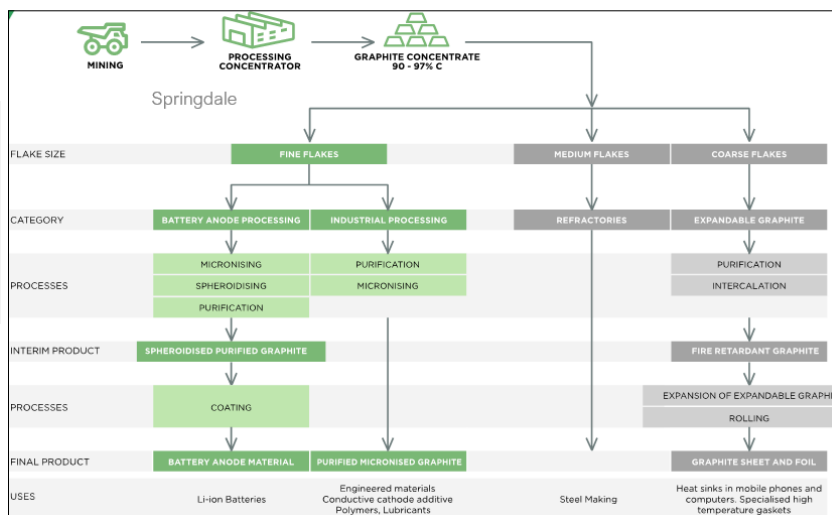
A Brief Refresher on What IG6 is Trying to Achieve at Collie

IG6 is effectively developing its Collie downstream processing operations in 3 stages. The first installation stage, now completed and operating was the establishment of an *initial processing (Pilot) facility involving* an ultra high temperature furnace and a pilot spheroidising unit. This *initial processing facility which* was commissioned in September 2022, operating as an R&D facility, is producing proof of concept high quality spheroidised graphite product suitable for BAM applications.

IG6 has now commenced its second stage of development which is the ordering and installation of a Canadian custom made qualification plant semi-commercial micronising & spheroidising plant which it will commission and have on line by Q4 2023.

Much larger in capacity than the R&D plant, the qualification plant will produce 100-200tpa of micronised graphite products initially using imported feedstock. The plant is capable of spheroidising with further additions and reconfiguration. The establishment of this facility will importantly not only provide IG6 with *market presence* enabling the Company to showcase its quality graphite products to prospective international offtake customers but will now place IG6 in the position of being capable of supplying sufficient amounts of product to them to undertake their own testwork. With management's links and contacts in the downstream graphite processing sector, the Company is not short of interested parties keen to enter into

Figure 3 Right : Collie planned process flow chart with micronising, spheroidising and purification (initial BAM facility) and in the next stage coating are the key processes which will be undertaken



discussions about future supply. Following its arrival in Australia earlier this month, the delivery of the qualification plant to site is now considered imminent.



Additionally the new qualification plant will also importantly trial processing parcels of graphite from Springdale as the Company progresses scoping & feasibility studies in the coming weeks looking into developing a mine at Springdale and integrating it as a long term (decades) supply source of graphite for Collie.

Micronising, Spheroidising & Coating Graphite Explained

As few investors are knowledgeable on the benefits of downstream graphite processing, we believe it is worthwhile attempting to explain, in simplified terms, what the process of *Micronising and Spheroidising* graphite is and why it is done prior to graphite's inclusion into high tech applications of today.

Micronising involves reducing the size of graphite flakes down to 10-25 microns through a series of cascading jet mills to produce a pre specified target size. The micronised graphite is then rounded and 'snowball' accreted into spheroids (like layers on an onion) through another set of cascade mills with different mill plate settings to between 5 and 20 microns, the size of which is determined on what application it is used for.

It is important to have some level of understanding why Micronising and Spheroidising graphite is so important and why it is undertaken prior to inclusion in high tech battery applications

"Spheroidisation" refers to the multistage process of milling, shaping and classifying anode-grade graphite, to produce spherical graphite to very exacting specifications demanded by a lithium-ion battery manufacturer" (Hexagon Resources Limited 2018).

"Spherical graphite is manufactured from flake graphite concentrates produced by graphite mines and is the Battery Anode Material (BAM) used in lithium ion batteries. The first part of the process consists of micronising, rounding and purifying flake graphite" (Northern Graphite 2022).

The round shape of Spherical Graphite (SPG) is essential to allow uniform effective packing of the graphite in the high speed lithium ion battery manufacturing process. i.e. a higher density in the battery provides more sites for the lithium to intercalate with the graphite equating to a higher capacity in addition to a longer life.

Purification is the next step upgrading the concentrate to 99.95% or more graphite purity.

A final processing stage known as '**Coating**' to produce Coated Purified Spherical Graphite (CPSG) occurs to provide superior properties and enhance battery anode cycle rates. The coating process involves spheroidised graphite being coated with a thin layer of asphalt or pitch and then baked at a temperature above 1200 degC. This forms a hard carbon shell over the spheroidised graphite which protects it from degrading during the expansion and contraction phases during normal phases of the battery charging and discharging, this extending battery capacity and life. The coating also inhibits the reaction between the electrolyte and the active spheroidal graphite within the coating shell, which also extends both capacity and life of the battery.

Not All Graphite Concentrates Are The Same

As the BAM industry continues to expand and graphite is sourced from an increased number of mines and jurisdictions it is becoming very clear that not all graphite concentrates are the same and whilst most flake graphite can be made into SPG & CPSG, some concentrates are better than others. Concentrates with low bulk density translate to batteries that have a low energy density and are therefore not preferred. Also less preferable, due to increased processing requirements, are graphite sources with a higher percentage of large flakes.

Springdale graphite concentrates contain low levels of deleterious elements present can be upgraded to 99.95%+ purity which is excellent for battery applications

Whilst most flake graphite concentrates can be made into SPG. Some are better than others

Low bulk density graphite concentrates are undesirable

IG6: "Downstream testwork has shown that these (Springdale) concentrates are ideally suited for micronised graphite for speciality engineered products and for SPG with direct application to BAM and energy markets"

So How Well does Springdale Fair as a Source of "Suitable Concentrate" for Collie?

Float testwork on both drill core and RC chips taken from within the resource boundaries demonstrated the resource has high levels of graphite purity with no reported deleterious minerals evident within the graphite zones. Additional downstream testwork has also demonstrated the graphite can be upgraded to 99.95%+ purity through processing which is excellent for battery test work studies.

Based on this work IG6's Independent technical consultants are sufficiently confident to state that, *"The results suggest that with further test work the graphite mineralisation can be processed to produce a saleable product. The shallow, high grade nature of the mineralisation together with the positive indications from metallurgical test work is supportive that the deposit has the potential for eventual economic extraction"*.

Adding to that, we note the Company itself has confidently stated, *"Downstream testwork (in Germany) has shown that these concentrates are ideally suited for micronised graphite for speciality engineered products and for SPG with direct application to BAM and energy markets"*.



Collie Graphite BAM Facility: Robust Scoping Study Has Demonstrated Potential For Substantial Financial Returns

On 26th April 2023 IG6 announced the results of a Scoping Study on the Company's proposed Collie Graphite BAM Facility. Taking a modular approach with the option of two parallel production lines the Scoping Study suggests that the proposed facility has the potential to generate attractive returns for shareholders from the production of high grade Battery Anode Material ("BAM")

Key Highlights of the Scoping Study included:

The Collie Operations processing up to 40ktpa of graphite concentrate

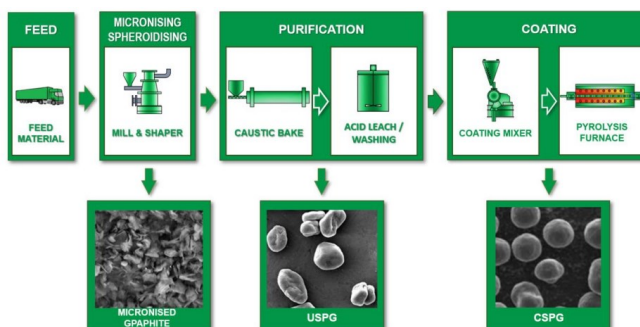
Uncoated Purified Spheroidised Graphite ("USPG") Facility Option

- Production of 20ktpa USPG & 17ktpa of micronised by products
- Total CAPEX for the USPG facility: AUD124m (USD87m)
- Pre-tax-pre-finance project NPV₁₀ of AUD412m (USD290) & IRR 48%
- Annualised average revenue AUD140m (USD95m) & EBITDA AUD64m (USD43m)

Carbon Coated Spheroidised Purified Graphite ("CSPG") Facility Option

- Production of 18.6ktpa CSPG & 17ktpa of micronised by products
- Total CAPEX for the CSPG facility: AUD317m (USD222m)
- Pre-tax-pre-finance project NPV₁₀ of AUD894m (USD626m) & IRR 41%
- Annualised average revenue AUD255m (USD172m) & EBITDA AUD149m (USD100m)

The Scoping Study applied a fixed selling price of USD8,750 per tonne for CSPG and USD4,250 per tonne for USPG.



Above: Simplified Flow sheet for the Proposed Collie Graphite BAM Facility

Early scoping study results have demonstrated the potential for better than we anticipated financial returns

The study's results, which did not include the integration of Springdale, exceeded our expectation and provided for the first time a visible development pathway that signalled IG6 is on track to most likely become Australia's first producer of coated spheroidised purified graphite for lithium-ion batteries and a leading western world producer of BAM.

The final full Integrated Springdale-Collie DFS anticipated to be completed Q3-Q4 2024

We understand that as soon as the mining feasibility work for Springdale is completed and released later this year, the Collie BAM scoping study will be updated to a DFS to reflect the fully integrated mine to market (Springdale-Collie) project and include production and graphite concentrate supply from Springdale at an expected lower cost than buying in third party graphite concentrates. We therefore anticipate the completion of a DFS and for project development to commence Q3-Q4 2024, subject to the green light on financing, product qualification processes and all government agency approvals.

At this point, looking at the Collie scoping study in more detail, we note that the proposed plant has been cleverly designed to run as what is referred to as two parallel trains, which, being modular, can be implemented in stages should financing require this. i.e. putting it simply, one could develop the USPG facility first for a much lower capex producing USPG initially before eventually expanding the plant with additional capex to produce CSPG. However, we believe that with forecast BAM deficit and demand sitting where it is, we anticipate Collie will be (and should be) developed as a fully integrated CSPG production facility from the start, taking full advantage of maximum product value-add prior to sale of what will be extremely high quality BAM products.



Share Price Target

We currently believe that placing a price target valuation on IG6 at this stage in the Company's life is premature and we remain of the opinion that this will be so until at least until the end of the year.

Whilst the Company is on track with downstream operations development and since IPO has achieved a series of positive milestones including the commissioning of the pilot plant, delivery of the new qualification plant, a scoping study for Collie and the release of a new MRE at Springdale, the Company is still undertaking mining feasibility studies at Springdale looking into integrating Springdale with Collie.

It is expected that the Springdale feasibility work will generate some meaningful initial capital requirement and simulated production figures. Therefore, in the current absence of any mining and production figures to allow financial modelling to occur on simulated projected cash flows, we have decided to refrain from deriving and placing a price target on IG6 at this point.

It is however worth looking at the current market capitalisations of IG6's sector peers with broadly similar graphite projects at similar or more advanced stages of development at this time. This exercise clearly indicates IG6 to be far from fully priced when compared to its sector peers.

Recognising complexity in trying to value the Company at this point we need to acknowledge that IG6 also has a substantial amount of intangible asset value that should be at least acknowledged, notably in the areas of management's intellectual property and knowhow.

We place a justifiable positive weighting to the fact that all of the Company's assets and operations are located within Western Australia, a Tier 1 mining friendly low sovereign risk jurisdiction*. This is unlike a great deal of IG6's peers who have graphite mining projects in much higher perceived sovereign risk African countries such as Mozambique, Tanzania and Madagascar.

* Canadian based Fraser Institute has recently announced in its 2022 survey WA as the worlds #1 resource investment jurisdiction

Table 3, Right:
Listed
Graphite
Sector Peers

Source: Modified
from IG6 company
presentations

Company	International Graphite	Black Rock Mining	EcoGraph	Evolution Energy Minerals	Magnis Energy Technologies	Next Source Materials	Nouveau Monde Graphite	Renascor Resources	Talga Group	Syrh Resources
Ticker (ASX & TSX)	IG6	BKT	EGD	EYI	MNS	NEXT	NOU	RNU	TLG	SYR
Market Cap (A\$M)	32	118	59	36	105	275	197	348	494	384
Project	Springdale	Mahenge	Epanko	Chilalo	Nachu	Molo	Matawinie	Siviour	Vittangi	Balama
Location	Western Australia	Tanzania	Tanzania	Tanzania	Tanzania	Madagascar	Canada	South Australia	Sweden	Mozambique
Mineral Resource / Ore Reserve (Mt)	49.3	212	128.2	67.3	174	141	153.3	93.5	72.6	110.3
Grade (TGC%)	6.5%	7.8%	7.4%	5.4%	5.4%	6.1%	4.3%	7.3%	18.6%	16.4%
Measured / Indicated / Inferred / Reserve	II	III	III	II	III	III	III	III	II	Reserve
Planned Mine Life (Yrs.)	20	26	18	17	15.5	30	25	40	7	20
Stage of mine development	Feasibility ongoing	DFS	DFS	DFS	DFS	Process plant complete	Trial mining	DFS	Trial mining	Operational
Permitting status	In progress	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Pending	Operational
Downstream graphite business stage	R&D facility perating SPC and micronising qualification plant being installed	MOU with POSCO for graphite concentrate for use in BAM	Battery anode materials based on imported graphite. Offtake with POSCO	Expandable graphite toll treatment, China. Micronised graphite, Tanzania. Fine Flake Offtake with BTR China. Coarse Flake Offtake with Yichang China	JV ownership of 2 planned plants in feasibility stage Offtake with Trafigura Europe	Partner with TESLA for turnkey plant. Child and Japan technology	Pilot SPG operating Pilot purification	Revised BAM Feasibility Study. Offtake with POSCO	BAM, coated materials and anodes Pilot battery plant operational in Germany	BAM and coated materials
Downstream graphite business status	Scoping & Feasibility	MOU sales	DFS finalising Funding	DFS Toll treatment agreement BTR China	Pilot & Feasibility	Feasibility	Phase 1 demo plant in construction	DFS seeking funding	DFS complete Demonstration plant complete	Implementation and construction
Location of downstream	Collie, Western Australia	POSCO South Korea	Australia	China & Tanzania	New York, USA Townsville, Aust	Mauritius	Canada	South Australia	Sweden	Louisiana, USA

We are comfortable to place a **Speculative BUY** on IG6 at this stage, acknowledging it is just too early to place a meaningful share Price Target on the Company at this time

We also believe it still pertinent to point out that Springdale Graphite Project vendor Comet Resources Limited is still escrowed until April 2024 along with some pre-IPO seed stock.

Taking all of the above into consideration and noting a current low \$30m capitalisation (see Table 3), we anticipate the delivery of mining scoping study figures for Springdale and a compelling demonstration of the positive commercial benefits of Springdale's integration with the Collie downstream operations should allow the market for the first time to attain a much better commercial feel for the tremendous revenue potential the This coupled with a series of expected good news announcements on the progress of the development of Collie should be sufficient to justify a series of incremental positive share price re-ratings.



Risks Associated with Investing in International Graphite Limited

Potential investors need to be aware that investment in International Graphite Limited (ASX:IG6), like all investments in junior resource companies, is of a highly speculative nature. Normal share market risk conditions apply including commodity prices, currency fluctuations, sentiment, supply and demand and general economic outlook. Normal exploration, development and production risks also apply as well as operating, environmental and native title risks.

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