SYRAH RESOURCES

ASX Announcement / Media Release

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2023 Annual General Meeting Chairman’s Address

Syrah Resources Limited (ASX: SYR) (“Syrah” or “Company”) provides a copy of the Chairman’s Address, which will be delivered at the Company’s Annual General Meeting today.

ADDRESS BY THE CHAIRMAN, JIM ASKEW

Good morning and welcome to Syrah Resources’ 2023 Annual General Meeting.

2022 was a landmark year for Syrah and highlighted the Company’s unique position in the global lithium-ion battery supply chain and natural graphite market. During the year, Syrah reported record Balama production, natural graphite sales and weighted average prices with external forces preventing the Company from achieving greater capacity utilisation and higher sales matched to end-customer demand. The Company made progress in de-risking the Vidalia expansion projects and, in its strategy to become a vertically integrated natural graphite AAM supply alternative for ex-Asia markets.

The Company is navigating a challenging 2023 year to date with volatile natural graphite demand and reduced sales from our China anode customer base caused by slower growth momentum in EV sales in the early part of this year and higher supply chain inventory positions. Production will be moderated from Balama until demand and price conditions warrant increased production levels, and natural graphite sales will continue to be made from our inventory positions. We are maintaining readiness to quickly increase operational activity and production should end-market conditions require it.

Despite near-term demand volatility, the future prospects for our upstream business remains strong, underpinned by EV growth, our cornerstone supply position in the global natural graphite market and the quality of the Balama asset. There is enormous opportunity in our downstream business as evidenced by the extraordinary battery manufacturing capacity buildout in North America, and strong market and government support for Syrah’s AAM capacity expansion – providing an increasingly positive market position for Syrah as an ex-China AAM supplier.

In 2022, Balama delivered record production and major improvements in operational performance. Operating costs were higher than expected due to logistics constraints, unplanned operational interruptions, freight rate volatility and surcharges, higher diesel prices and higher costs of imported materials. Despite the near-term market impacts on Balama sales and production, we are confident a sustainable cost position at Balama can be achieved as production rates increase and recoveries trend higher. Global container shipping disruption constrained the Company’s access to containers at Nacala port and maximum finished product inventory positions prevented Syrah from achieving higher sales and production than otherwise possible. However, the development of the breakbulk shipment option from Pemba port in early 2022 helped to supplement container shipments through 2022. The recent improvement in vessel services and container available from Nacala has removed the shipping constraint on operations that lingered over 2022.

Exceptional progress was made in advancing Syrah’s downstream strategy at Vidalia in Louisiana, with significant milestones reached in 2022. In February 2022, the final investment decision for the Vidalia Initial Expansion was approved and execution of this project has proceeded within the schedule and the revised capital budget. The Vidalia Initial Expansion project is currently in an intensive construction phase, ahead of commencement of commercial operations, expected in the third quarter of this year. High demand for AAM supply from Vidalia is encouraging the Company to evaluate a significantly larger further expansion at Vidalia. In April this year, the Company announced the completion of the DFS on this further expansion of Vidalia which confirmed the project to be technical viable, financially robust and value accretive for the Company. The DFS supports progression of the Vidalia Further Expansion project, and early activities are being undertaken on the project ahead of a potential FID later this year. The demand for Vidalia AAM is underpinned by Syrah being a first-mover in commercial development, progress in customer qualification processes, cost and quality advantages in vertically integration with Balama, and leading ESG position. The EV tax credits proposed in the US Inflation Reduction Act for ex-China critical mineral sourcing reinforces battery supply chain focus on Vidalia. Substantial funding support for Vidalia's expansions from US Department of Energy ensures Syrah is well capitalised to deliver its vision and growth strategy.

The A$250 million equity raising and US$102 million DOE loan completed in 2022, as well as the A$150 million convertible note commitment from AustralianSuper last month , ensures that the Vidalia Initial Expansion project is fully funded to the start of production, the Vidalia Further Expansion project is fully funded to a potential FID and the Company maintains a sustainable financial position through a variety of challenging near-term natural graphite and shipping market conditions. Subject to shareholders approving the new AustralianSuper convertible notes, Syrah is well capitalised to deliver its vision and growth strategy.

Operating conditions in Mozambique have largely been excellent and our workforce, who are predominantly local, are continuing to develop strongly and are critical to the Company's future success. Illegal industrial action late last year, which interrupted Balama operations, was not reflective of the positive relationship Syrah has maintained with the Balama workforce and host communities, and the new Company Level Agreement was negotiated efficiently upon resolution of the industrial action and support from both Government authorities and community leaders. Syrah's environmental, social and governance activities are fundamental to Balama and have been in place since inception of the mine. The Vidalia expansion projects are providing clear economic benefits to Concordia Parish in Louisiana and Syrah is proactively engaging with its community to ensure this project and operations remain well supported.

Attainment of corporate KPIs during a challenging year, along with strong performance against personal KPIs, saw a reasonable Short Term Incentive grant being awarded for 2022. Regarding the Long-Term Incentive plan, it is designed to align with shareholder value creation, and 100% of the Long Term Incentive vested at the end of 2022. In 2020, the Board of Directors implemented a Five-Year Performance and Retention Incentive ("5YPRI"), designed to consider the operational review and restructure in late 2019 and to ensure that selected personnel are remunerated in a manner which encourages high performance in driving shareholder value creation. 86% of the Year 3 tranche of the 5YPRI vested and 323,106 performance rights under the 5YPRI lapsed at the end of 2022, reflecting the balance of the achievement of Year 3 KPIs. The Board continues to believe that retention of the Executive and Senior Leadership teams is critical for future success, particularly given the unique knowledge and experience required to operate in this specialised market and increased demand for experienced executives.

Our Company's vision is to become the world's leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial markets. The focus for 2023 is to establish Balama's position in the global natural graphite market via increasing production and product sales globally in line with natural graphite market conditions and shipping availability and to become a large scale producer of natural graphite AAM. These objectives are critical to generating shareholder value and financial returns for our shareholders.

The Board thanks the Syrah management team for all that the Company has achieved in 2022. The Executive and Senior Leadership teams are strongly committed to Syrah's long-term success. Syrah has a great future opportunity with its developing position at Vidalia and the globally significant graphite resource and operation at Balama. 2023 will be another year of progress and milestones for Company – targeted higher Balama capacity utilisation, commencement of operations of the 11.25ktpa AAM Vidalia facility and advancing the Vidalia Further Expansion project to a FID incorporating transition detailed engineering, customer offtake and project funding. We are well positioned and remain confident we have the team to capitalise on improving market conditions in natural graphite and active anode materials through 2023 and beyond. Balama is a large-scale, low-cost operation, hosting a high-quality resource and with a proven track record of product sales into battery and industrial markets. Finally, the Board thanks you for your continued support of Syrah.

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This release was authorised on behalf of the Syrah Board by

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About Syrah

Syrah (ASX code: SYR) is an Australian Securities Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Active Anode Material Facility in the United States. Syrah's vision is to be the world's leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial markets.

Forward Looking Statement

This document contains certain forward looking statements. The words “expect”, “anticipate”, “estimate”, “intend”, “believe”, “guidance”, “should”, “could”, “may”, “will”, “predict”, “plan”, “targets” and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward looking statements. Forward looking statements, opinions and estimates provided in this document are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This document contains such statements that are subject to risk factors associated with the mineral and resources exploration, development and production industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: dependence on commodity prices, availability of funding, impact of inflation on costs, exploration risks, including the risks of obtaining necessary licences and diminishing quantities or grades of reserves, risks associated with remoteness, environmental regulation risk, currency and exchange rate risk, political risk, war and terrorism and global economic conditions, as well as earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward looking statements in this document will actually occur. Actual results, performance or achievement may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. The forward looking statements in this document speak only as of the date of this document. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward looking statements in this document to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this document will under any circumstances create an implication that there has been no change in the affairs of Syrah since the date of this document. About Syrah Resources Syrah Resources (ASX code: SYR) is an Australian Securities Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Active Anode Material Facility in the United States. Syrah's vision is to be the world's leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial market