Vidalia AAM Supply Agreement with Lucid

Highlights

- **Syrah executes a binding agreement with Lucid for the supply of natural graphite AAM from Vidalia AAM facility**
- **Three-year commitment, with Lucid and/or its battery suppliers, to purchase ~7kt in aggregate over a three-year term commencing from the start of 2026 with minimum annual volume requirements**
- **Floating pricing mechanism incorporating adjustments based on a natural flake graphite index**
- **Lucid is the maker of the world's most advanced electric vehicles, building the Lucid Air and its new Lucid Gravity SUV at its state-of-the-art factory in Arizona, USA.**

Syrah Resources Limited (ASX: SYR) ("Syrah") is pleased to announce the execution of a multi-year binding supply agreement ("Agreement") with Lucid Group, Inc. ("Lucid"), maker of the world's most advanced electric vehicles, for the supply of natural graphite active anode material ("AAM") from its vertically integrated AAM production facility in Vidalia, USA ("Vidalia"). The terms of the Agreement have been the subject of extensive negotiations during which Syrah has had regard to operating costs of the Vidalia AAM facility. The Agreement with Lucid will underpin sales approaching the 11.25ktpa AAM production capacity of the Vidalia AAM facility.

Lucid is a Nasdaq listed, Silicon Valley-based technology company building the Lucid Air and new Lucid Gravity SUV. Lucid is a Nasdaq listed, Silicon Valley-based technology company focused on creating the most advanced electric vehicles in the world with best-in-class performance and efficiency. Lucid's state-of-the-art factory in Arizona, USA produces the Lucid Air sedan as well as a new SUV model, Lucid Gravity. Lucid has supply relationships with several tier 1 lithium-ion battery manufacturers in the USA and new facility qualification processes for the Vidalia AAM facility are well progressed with these battery manufacturers.

Under the Agreement, Syrah will collaborate with Lucid's battery suppliers, and Lucid and/or its battery suppliers will purchase ~7kt over a three-year term. Deliveries under the Agreement are expected to commence in January 2026, subject to completion of qualification of Vidalia AAM by Lucid's battery suppliers.

Vidalia AAM pricing under the Agreement is determined by a formula based floating mechanism, incorporating quarterly adjustments in relative changes in an independent natural flake graphite (-100mesh) price index.

AAM specification to be supplied under the Agreement is expected to be aligned with the AAM specification that has been produced at the 11.25ktpa AAM Vidalia facility.

The Agreement may be terminated by either Syrah or Lucid if Lucid's battery suppliers have not completed qualification and/or committed to purchase Vidalia AAM by 1 January 2027. The Agreement may be terminated by Lucid if Vidalia AAM is no longer compliant with Section 30D of the US Inflation Reduction Act ("IRA").

Lucid's offtake obligation is conditional on the parties agreeing to the final specifications of Vidalia AAM.

Syrah offers the most progressed vertically integrated natural graphite AAM supply alternative for the North American market. Auto OEMs and battery manufacturers are currently highly reliant on China for their supply of anode products. Vidalia, and its vertical integration with Balama, is a unique value proposition to Governments, and battery supply chain participants, specifically: scale; independence and co-location with North American battery production; critical mineral security; and ESG auditability back to the source. Vidalia AAM is a compliant critical mineral that will eventually contribute towards the critical minerals requirement for the Section 30D consumer credit in the IRA. Considering the current structure of the natural graphite and AAM supply chain, Vidalia is one of the very few suppliers of natural graphite AAM products, currently and over the medium-term, that will not be designated a critical mineral supplied in the USA from a foreign entity

For personal use only

of concern. Therefore, Vidalia AAM is an essential supply source of critical minerals for the North American battery market for US electric vehicles to qualify for the Section 30D tax credit under the IRA.

This release was authorised on behalf of the Syrah Board by

Shaun Verner, Managing Director

Investor Relations Contact:

Viren Hira

T: +61 3 9670 7264

E: v.hira@syrahresources.com.au

Media Enquiries Contact:

Nathan Ryan

T: +61 420 582 887

E: nathan.ryan@nwrcommunications.com.au

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 markets.

For personal use only