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Tirupati Graphite PLC
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Tirupati Graphite plc ('Tirupati' or the 'Company')

Upscaling of Vatomina Project's capacity in response to increased market demand

Tirupati Graphite plc, the fully integrated, revenue generative, specialist graphite producer and graphene developer with operations in Madagascar and India, is pleased to announce that in response to continued increased demand for its high quality flake graphite from Madagascar, the Company will upscale the capacity of the first module at its Vatomina Project ('Vatomina') by 50% to a planned production of 9,000 tonnes per annum ('tpa'), which will result in an increase to near-term cash flows from operations.

Overview

- Increased demand from current customers, including a London listed FTSE 250 company recognised as a global benchmark flake graphite user, and interest from new target buyers globally highlight the strong graphite market dynamics
- The Company's modular development approach using internal expertise provides flexibility to enable the upscaling of Vatomina, while remaining on track for the Project's planned commissioning in Q2 2021
- Upscaling Vatomina's first module by 50% from the planned 6,000tpa capacity to 9,000tpa, will be done at an estimated 30% additional CAPEX, bringing the total production capacity in Madagascar to 12,000tpa following commissioning
- Upscaling Vatomina's capacity will see total earthwork at Tirupati's projects increase to 800,000tpa from current 200,000tpa.

Shishir Poddar, CEO of Tirupati Graphite, said, *"We are already starting to see the fruits of our continued efforts to become a significant supplier to the rapidly growing global flake graphite market, which is being substantially driven by the growth in green applications including electric vehicles, thermal management and flame retardants."*

"Flake graphite prices, and particularly in the larger flake sizes, have seen an uplift over the past quarter and we have received strong demand from our current and prospective buyers from diverse market segments. Our team's persistent dedication to meet our customers' expectations galvanised our decision to upscale the capacity of the first production module at Vatomina to 9,000tpa, which

will take us to a significant total of 12,000tpa across our two projects in the near-term, while remaining on track to commission the new production module at Vatomina in Q2 2021. The upscaled capacity will boost our near-term cash flow generation which further enhances shareholder value at minimal costs."

Details

The Company remains focused on strengthening its primary mining and processing in Madagascar, where it operates two projects, Sahamamy and Vatomina. The existing 3,000tpa capacity, high-quality flake graphite operation at Sahamamy has been producing and selling to customers globally and remained operational throughout the pandemic.

Madagascan flake graphite from the Company's projects offers a favourable larger flake size distribution which is priced at a considerable premium to smaller size flakes. With the first few thousand tonnes having been produced and sold to key customers globally, the Company has established itself in key consuming markets for flake graphite.

Tirupati's modular development approach, coupled with its internal expertise, provides the Company with flexibility to respond to evolving graphite market conditions. The modular approach contributed to the Company's strategic decision to increase capacity of Vatomina's first module, which was already at an advanced development stage, from 6,000tpa to 9,000tpa, representing a 50% increase in installed production capacity will be done at an estimated 30% increase in CAPEX. The increased capacity is expected to boost near-term cash flow generation from Vatomina, enabling the Company to capitalise on rising demand and prices for its Madagascan primary flake graphite.

The additional installed capacity at Vatomina directly contributes to an increase in the overall production capacity from the Company's Madagascan primary flake graphite projects under its modular medium-term development plan ('MTDP') from the originally planned 81,000tpa to 84,000tpa by 2024.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

** ENDS **

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Notes

Tirupati Graphite Plc is a revenue-generative, multi-asset, multi-jurisdictional, fully integrated producer and developer of high-grade natural flake graphite, speciality graphite and graphene, which captures the entire value chain. With a unique set of properties, graphite has diverse applications with multiple growth streams and graphene forms the new generation of 2D materials. In support of this, the Company places a special emphasis on "green" applications, including renewable energy generation, energy storage and composites, and is committed to ensuring its operations are sustainable as well.

The Company's operations include primary mining and processing in Madagascar, where the Company operates two key projects, Sahamamy and Vatomina; 3,000 tpa of high-quality flake graphite concentrate with up to 96% purity is currently being produced and sold to customers globally, and this is planned to increase to 84,000 tpa by 2024 as per the Company's modular medium-term development plan.

In India, through Tirupati Speciality Graphite Private Limited ('TSG'), with whom the Company has a binding acquisition agreement subject to regulatory approvals, Tirupati processes and produces speciality graphite for use in hi-tech applications like lithium-ion batteries, fire retardants and composites. Its specialty graphite processing operations include the 1,200 tpa Patalganga Project, which was commissioned in July 2019 to manufacture and sell CARBOFLAMEX®, a trademarked fire-retardant expandable graphite product. At the next stage of development, Patalganga shall further be expanded to 4,800 tpa capacity with capabilities to also produce high purity and micronised graphite, so increasing market and product reach by 2021. TSG has developed unique green processing technologies for manufacturing these advanced materials.

After establishing itself in the specialty graphite markets through the Patalganga Project, an additional 24,000 tpa specialty graphite processing facility is to be established in two 12,000 tpa phases. The plant will produce expandable, high purity, micronised and spherical graphite. The west coast of India has been chosen as the location and a detailed feasibility study has been completed. TSG is also in the process of establishing the Tirupati Graphene and Mintech Research Centre, a state-of-the-art R&D centre focussed on manufacturing graphene, developing its applications, and further providing environmentally friendly technologies consultancy for mineral processing.

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