



Q1 2021 Quarterly Sustainability Update

April 2021

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Quarterly Sustainability Update

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Syrah's Sustainability Strategy



- The aim of Syrah's Sustainability Strategy is to operate safely, ethically and efficiently to create value for our people and stakeholders. This strategy is supported by the following key performance areas – health & safety, people, environment, community development, stakeholder management and governance
- Syrah adopts a risk and opportunities based approach to managing key material sustainability matters across the business with all relevant information captured under the Company's Risk Management Framework which is reviewed at least monthly by the Executive Committee
- Asset-level sustainability reporting has been guided by the Global Reporting Initiative (GRI), the United Nations Sustainable Development Goals, the International Council on Mining & Metals (ICMM) 10 Principles for Sustainable Development and other internationally recognised standards to assess and report sustainability performance in line with industry benchmarks
- Corporate governance frameworks have also been established across the Syrah Group to enhance the Company's overall performance and shareholder value⁽¹⁾

(1) Details of Syrah's Corporate Policies and Governance can be found at <http://www.syrahresources.com.au/corporate-governance> and link to [Corporate Governance Statement dated 31 March 2021](#)

Syrah's Environmental, Social and Governance (ESG) Profile



Leading health and safety standards

- ✓ ISO:45001 and ISO:14001 certification at Balama
- ✓ Vidalia project being developed in line with best practice health, safety and environmental standards
- ✓ Critical Risk Management Framework embedded across the Group



Best practice sustainability frameworks

- ✓ Sustainability frameworks guided by:
 - Global Reporting Initiative (GRI)
 - United Nations Sustainable Development Goals
 - International Council on Mining and Metals
- ✓ Robust Community Development and Stakeholder Engagement Strategy



Low carbon footprint

- ✓ Lower carbon footprint (Life Cycle) of natural versus synthetic graphite(1)
- ✓ Implementing initiatives to lower carbon footprint further



Auditable back to source

- ✓ Fully integrated by Syrah from mine to customer
- ✓ Anode material from Vidalia will have a single chain of custody back to the source

(1) Benchmark Minerals Intelligence

Q1 Sustainability Highlights

Health, Safety & Environment

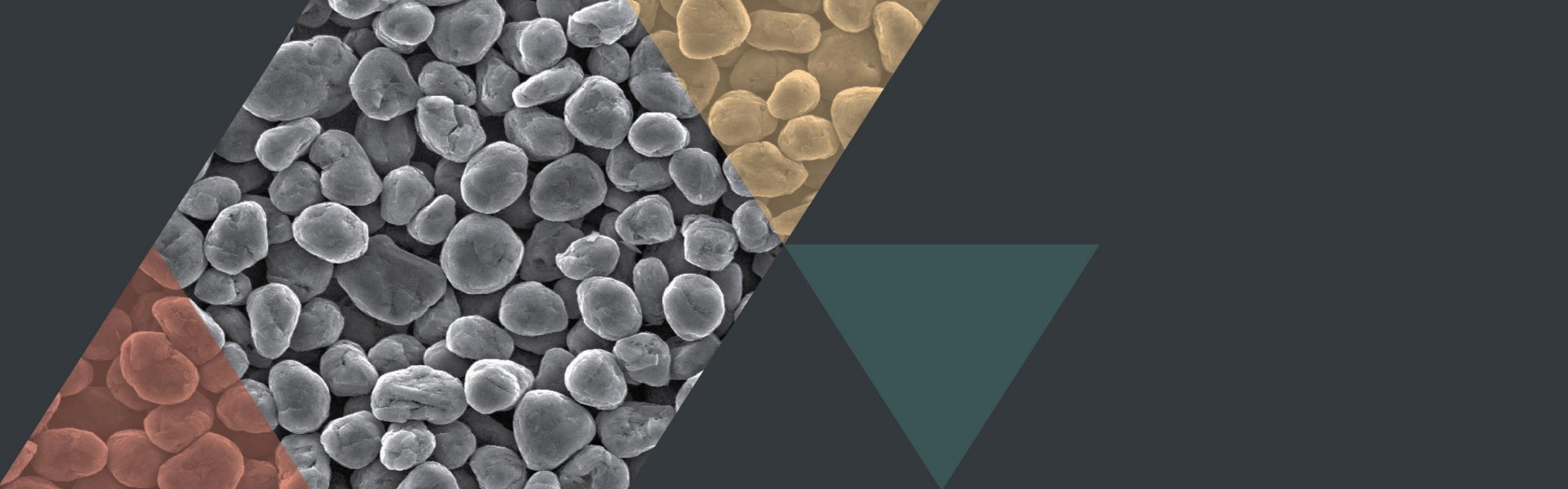


- ✓ Continued strong safety record with Balama TRIFR of 0.0 at quarter end
- ✓ No safety or environmental incidents recorded at Vidalia during the quarter
- ✓ Successful recertification of ISO:14001 and ISO:45001 at Balama for a further 3 year period
- ✓ MoU signed for solar and battery project at Balama to reduce greenhouse gas emissions and operating costs
- ✓ Robust COVID-19 protocols maintained across the Syrah Group
- ✓ Safety training remains a key focus following the recommencement of production at Balama
- ✓ Malaria Screening Program continues to recover work days that would otherwise be lost to illness
- ✓ Gap analysis underway to work towards alignment with ICMM's Global Industry Standard on Tailings Management

People, Community & Stakeholder Engagement



- ✓ 94% of Balama's direct employees are Mozambican nationals and 35% are employed from Syrah's local Host Communities
- ✓ Recruitment ramp up at Balama progressing well with 63 positions filled, 97% of which are former employees affected by Company restructuring in 2020
- ✓ Professional training and development opportunities provided across all levels in Mozambique
- ✓ Handover of Muapé Primary School and Ntete Community Building to the local Government following completion of construction in March
- ✓ Classes resumed at the Balama Professional Training Centre with strict COVID-19 protocols in place
- ✓ Livelihood Development Program continued throughout the quarter in partnership with Mozambique's Institute of Agricultural Research
- ✓ Public Consultation Meeting held in Balama (and online) to provide stakeholders with an update on Syrah's Sustainability performance
- ✓ Ongoing focus on stakeholder engagement at Vidalia and building relationships with local business partners



Health and Safety



Health and Safety

Health and Safety remains Syrah's top priority

Strong Safety Record

Zero recordable injuries sustained during the quarter



Robust safety systems and standards in place at Balama

Training Compliance

Training in Mandatory Competencies maintained at 100% completion



Mobile equipment training

Malaria Mitigation Strategy

Several protocols and initiatives in place to reduce malaria incidence



Onsite Ultra-sensitive Rapid Diagnostic malaria testing

Emergency Response

Drills and exercises conducted regularly to maintain emergency readiness



Onsite firefighting drills

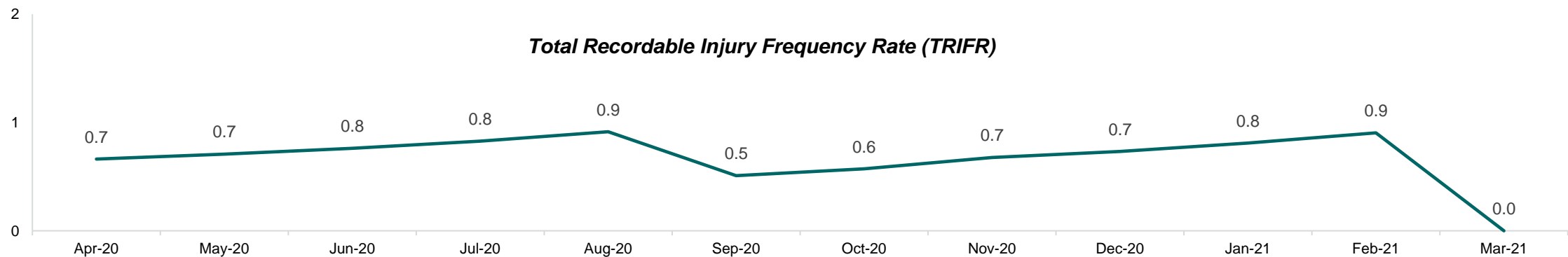
Health and Safety

Strong safety record maintained at Balama

- Zero recordable injuries sustained during the quarter, with TRIFR reducing to 0.0
- Training in Mandatory Competencies maintained at 100% completion, which includes General Induction, Business Conduct Training⁽¹⁾, Critical Hazard Management Standards, Occupational Exposures, Risk & Hazard Management, Fatigue Management and In-field Visible Leadership
- Training in Emergency Response and Critical Hazard Management Standards continued throughout the quarter with a number of practice emergency drills conducted
- Training of local Balama employees remains a key focus to upskill employees, ensure they remain engaged and motivated, localise Fly-in Fly-out (FIFO) roles where possible, and maintain readiness to restart operations



Emergency Firefighting Training



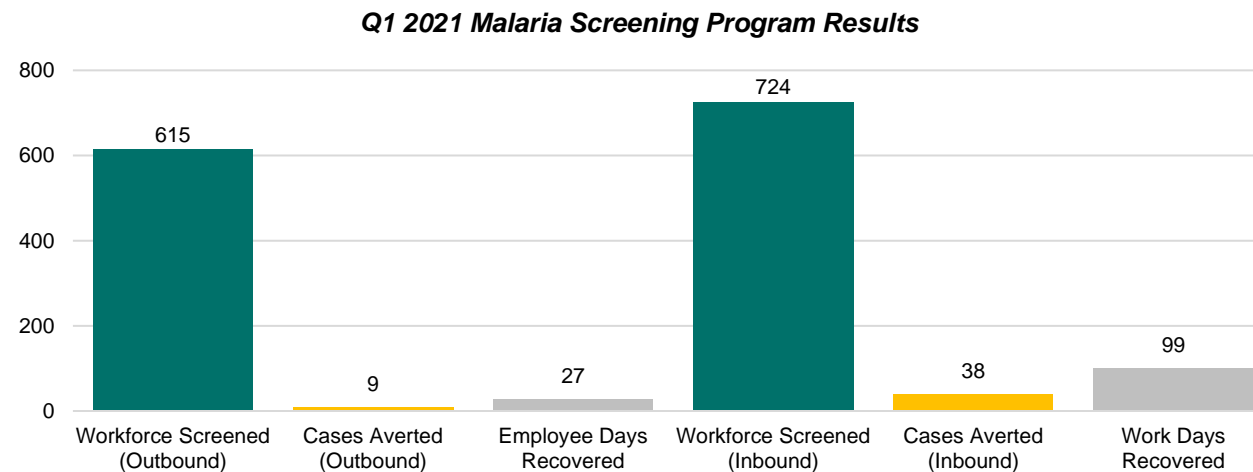
* TRIFR calculation based on 12 month rolling average

(1) Business Conduct Training includes Anti Bribery and Corruption, Whistleblower Policy, Code of Conduct, Workplace Behaviour Policy, Diversity and Inclusion Policy, IT Policy, Social Media Policy and Modern Slavery & Human Rights

Health and Safety

Syrah adopts a multifaceted approach to malaria mitigation

- Malaria mitigation is a core element of the Balama Health Program with preventative measures implemented across our workforce and in the community
- Mitigation efforts are consistent with the Mozambique National Malaria Control Program, and includes:
 - Ultra-sensitive Rapid Diagnostic Testing of all camp residents on their immediate return from, or departure to, their Rostered Leave Period
 - Trapping and mapping of mosquito species focussing on the Anopheles mosquito which is the carrier of the Plasmodium Falciparum malaria strain
 - Regular and targeted indoor residual spraying based on trapping data indicating mosquito larvae breeding sites
 - Community and workforce education and awareness campaigns
 - Insecticide treated bed nets in all camp accommodation rooms
 - Regular hot and cold fogging in active work areas and in accommodation village
 - Strictly enforced camp dress code



The Malaria Screening Program minimises illness and loss in productivity by ensuring employees and contractors receive immediate treatment for malaria prior to experiencing any symptoms



Mosquito fogging at the Plant Site

Health and Safety

Ongoing commitment to maintaining and monitoring COVID-19 protocols and prevention strategies across the Syrah Group

- It has been a year since the Coronavirus (“COVID-19”) was declared a global pandemic and Syrah’s Crisis and Emergency Management Teams (“C&EMT”) remain active to manage and minimise the impact of COVID-19 on employees and the business
- The health, safety and wellbeing of employees, contractors and key stakeholders remains Syrah’s highest priority and the Company firmly believes it is making the right decisions, in conjunction with Government advice at a minimum, in order to mitigate the risk of COVID-19 transmission to our workplaces or the communities in which we operate
- COVID-19 continues to impact Syrah’s operations and as such, the Company has maintained robust COVID-19 standards and protocols across the Group. Some of these measures include:
 - The C&EMT continue to meet regularly to assess and manage the impacts of COVID-19 on the Group
 - Protocols established for all Company entities tailored to each specific jurisdiction and the respective Government’s advice
 - Travel Management Plans developed for all international travel, tailored to each country and airline’s travel requirements
 - Working closely with contractors to mitigate and manage the impacts of COVID-19 on the operation and provide support as required
 - Rigorous protocols in place at Balama including:
 - Temperature checks and rapid COVID-19 antigen testing
 - Regular training and awareness campaigns
 - Physical distancing and mandatory mask wearing in all settings
 - Restrictions on interactive sports and other recreational camp activities
 - Regular and thorough cleaning of accommodation village, site buildings and vehicles
 - Limited in-person interaction with the local community where possible
 - Strict PPE requirements when conducting external stakeholder engagements
 - Protocols for service providers and delivery vehicles with strict conditions of entry to site and temperature checks for all visitors



Health & Safety

Maintaining the health and safety of Employees, Contractors and Host Communities remains Syrah's top priority

- As at quarter end, Mozambique reported a total of 67,579 confirmed cases of COVID-19, with 10,391 active cases and 775 deaths⁽¹⁾
- Mozambique's "State of Public Calamity" remains in place to reduce the spread of COVID-19 in the country
- Several restrictions continue to be enforced since the announcement of the State of Public Calamity including COVID-19 testing at borders, restrictions on business trading hours and office workplace capacity limits
- All controls and measures implemented by the Company continue to be made in line with the following critical priorities:
 - Maintaining the health and safety of Employees, Contractors and Host Communities
 - Sustaining current Environmental, Social and Governance (ESG) performance
 - Maintaining onsite health and emergency response capability
 - Supporting Mozambique in containing the spread of COVID-19
 - Maintaining strong and mutually beneficial relationships with key stakeholders
 - Preserving the long-term sustainability of the business
 - Delivering on community development commitments
 - Implementing risk mitigation measures in line with Company Values
 - Maintaining respectful relationships with our employees and contractors
 - Safe ramping up of production, subject to operating and market conditions



COVID-19 prevention measures at Syrah's Maputo Office



Vehicle disinfection protocols at Balama

(1) Source: Health Ministry COVID-19 Press Release https://covid19.ins.gov.mz/wp-content/uploads/2021/03/Atualizacao-Dados-Covid-19_31.03.2021.pdf

Health & Safety

Syrah maintains leading practice health, safety and environmental standards at Balama

- ISO:14001 and ISO:45001 are international standards that set out the requirements for best practice Health, Safety and Environmental Management Systems
- Syrah achieved accreditation in both ISO standards at the Balama Graphite Operation in May 2018 and has maintained these certifications through annual compliance audits
- Despite the challenges and restrictions associated with COVID-19, Syrah successfully passed the second compliance audit in March 2021 with zero non-compliances identified
- This certification demonstrates the Company's commitment to leading practice in Sustainability and ongoing focus on health, safety & environmental excellence, good governance & legal compliance, risk mitigation, waste reduction, climate responsibility, learning & development, efficient waste & resource management, social responsibility, visible leadership and continuous improvement
- ISO:14001 and ISO:45001 directly relate to several of the United Nation's 17 Sustainable Development Goals including Good Health and Wellbeing, Clean Water and Sanitation, Responsible Consumption and Production, Climate Action, Life on Land and Life Below Water



PROTECTING THE
WORKFORCE



PROTECTING THE
ENVIRONMENT



REDUCED RISK



COMPETITIVE
ADVANTAGE

Health & Safety

Health & Safety standards and expectations feature prominently in all training and awareness activities

Employees trained and certified in mobile equipment operation

- In line with the Company's commitment to the development of its people, Syrah trained a number of employees on mobile equipment operation, most of whom were local employees
- These training and development initiatives directly contribute to Syrah's localisation strategy by ensuring career progression opportunities are realisable for all employees
- After several days of theoretical and practical sessions (including refresher sessions on safety standards and expectations) the newly trained telehandler and forklift operators were awarded their certificates of competency



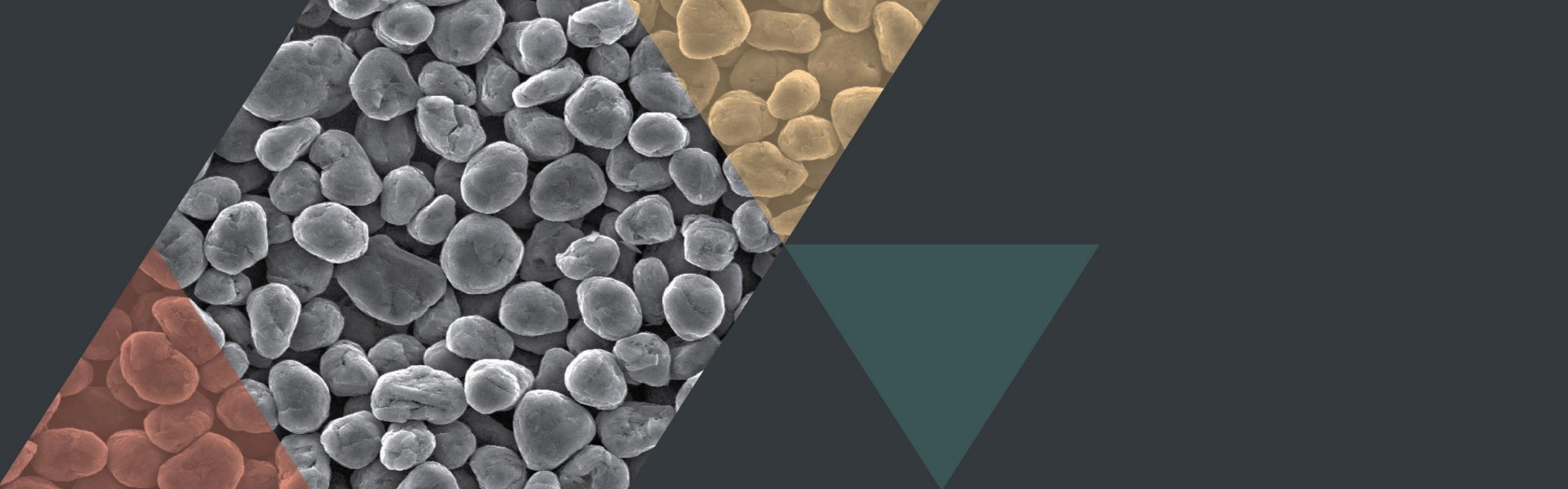
Certified Mobile Equipment Operators

COVID-19 prevention training and awareness campaign

- The Balama Covid Committee continues to oversee the implementation of COVID-19 prevention measures and protocols including training and awareness campaigns
- One of the many initiatives is a monthly workforce engagement hour led by the site leaderships team to provide the workforce with business updates and information on COVID-19
- The sessions include an address from International SOS, our partner in occupational health and wellbeing, to give regular updates on best practice COVID-19 prevention strategies including good hygiene practices



COVID-19 Awareness during Engagement Hour in Balama



Environment



Environment

Leading practice environmental standards maintained at Balama

Environmental Monitoring

Noise, dust and air quality is monitored onsite and in the community



Noise monitoring being conducted in the community

Water Management

Continued focus on reducing raw water consumption and waste



Potable Water Treatment

Tailings Storage Facility

Maintaining a safe and efficient tailings storage framework



Tailings Storage Facility Cell 1

Waste Management

Waste management practices focus on reuse and recycling



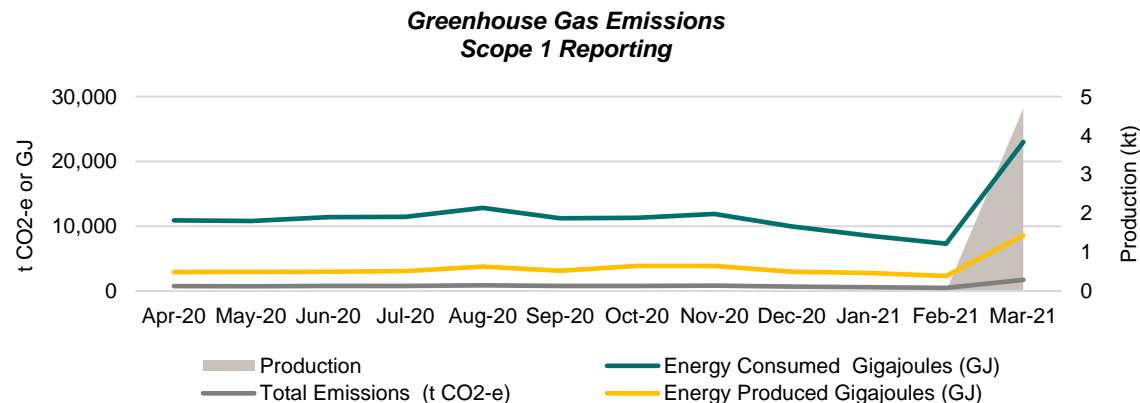
Segregation of hazardous and non hazardous materials

Environment

Syrah's Environmental and Social Management Plan drives close monitoring of Balama emissions profile

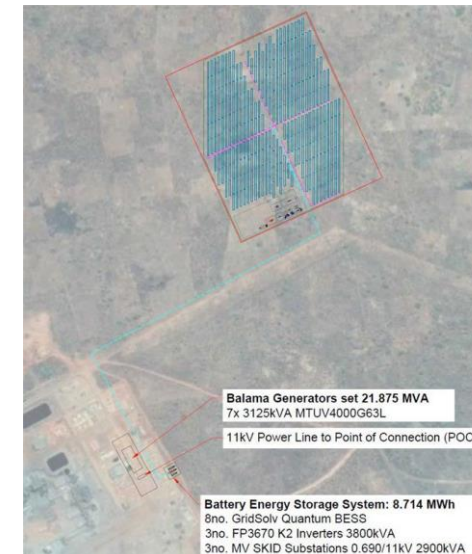
Greenhouse Gas Emissions

- Syrah acknowledges the Intergovernmental Panel on Climate Change (IPCC) assessment of climate change science, which has determined that the human influence on the climate system is clear, greenhouse gases are the highest in history and adaption and mitigation strategies are required to reduce risk and enable climate-resilient pathways to sustainable development
- The Company reports on Scope 1 Greenhouse Gas Emissions at Balama to understand the operation's emissions profile and identify and implement emission reduction strategies where possible
- Syrah maintains a rigorous Air Quality Management Program as part of its Environmental & Social Management Plan, which has been established in line with ISO environmental standards
- The program includes actions to monitor and reduce greenhouse gas emissions, as well as monitoring the air quality in surrounding communities



Syrah signs MoU for solar and battery project at Balama

- In line with Syrah's commitment to environmental sustainability and reducing greenhouse gas emissions at its operations, the Company has entered into a Memorandum of Understanding ("MoU") with Solar Century Africa Limited⁽¹⁾
- This MoU represents significant progress towards the installation of a solar and battery storage hybrid power system to work in conjunction with the existing diesel generation power plant at Balama
- The solar and battery storage system aims to reduce operating costs at Balama and further strengthen the ESG credentials of Balama's natural graphite supply and the future supply from our vertically integrated battery anode material project in Vidalia

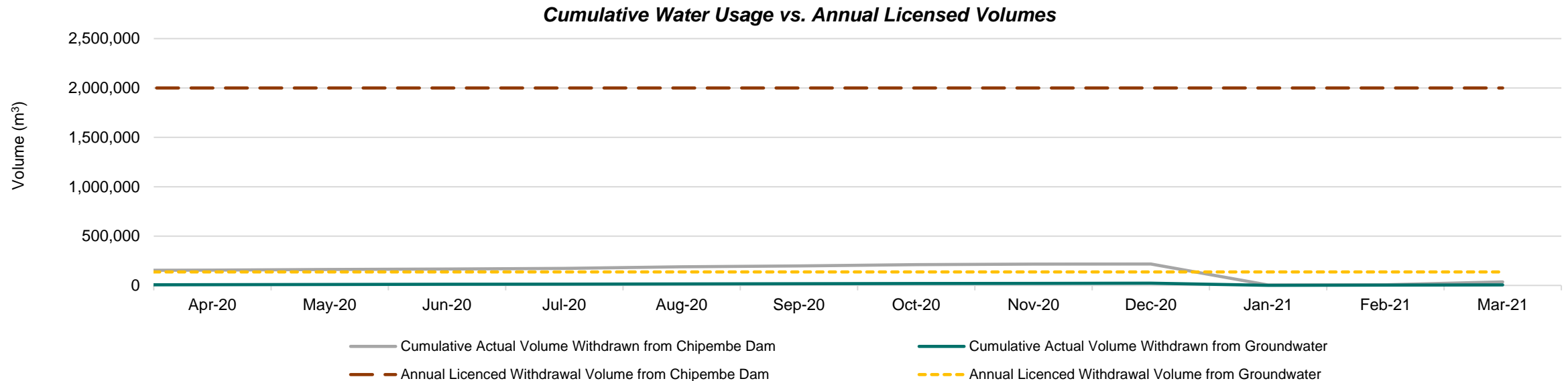


(1) ASX Announcement: <http://www.syrahresources.com.au/investors/downloads/845>

Environment

Ongoing focus on reducing raw water consumption through ramping up of production at Balama

- Continued focus on reducing raw water consumption by implementing strategies to improve tailings water recycling at Balama
- Raw water for the Balama Graphite Operation is predominantly sourced from Chipembe Dam which has a capacity of approximately 25 million cubic meters
- Syrah's Water Licence permits 2 million cubic meters of water to be withdrawn from Chipembe Dam annually
- Volumes of water withdrawn from raw water sources (Chipembe Dam and groundwater boreholes) during the quarter were significantly below licensed volumes
 - Low water withdrawal over the last 12 months can be attributable to the suspension of production at Balama from April 2020 to mid March 2021
 - During peak production in 2019 raw water consumption remained well below licensed volumes with less than 35% of licensed limits withdrawn

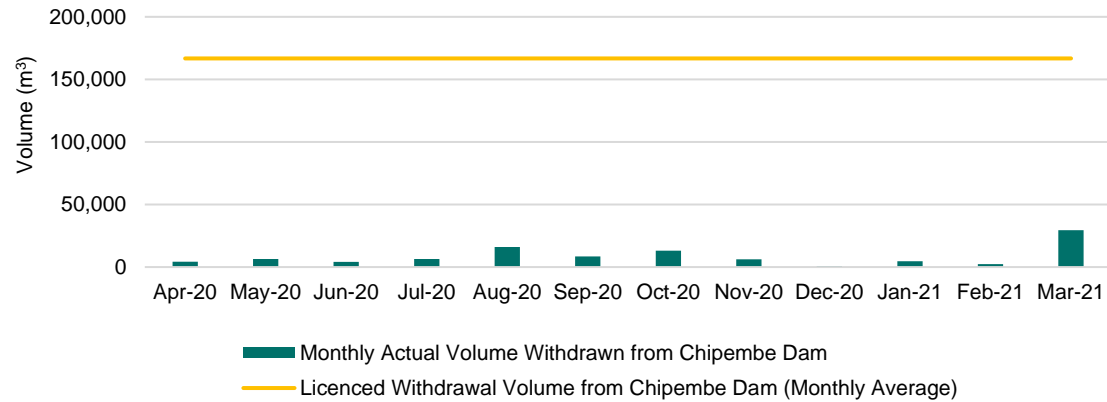


(1) Cumulative withdrawal volumes reflected in line with calendar year as per water licence conditions

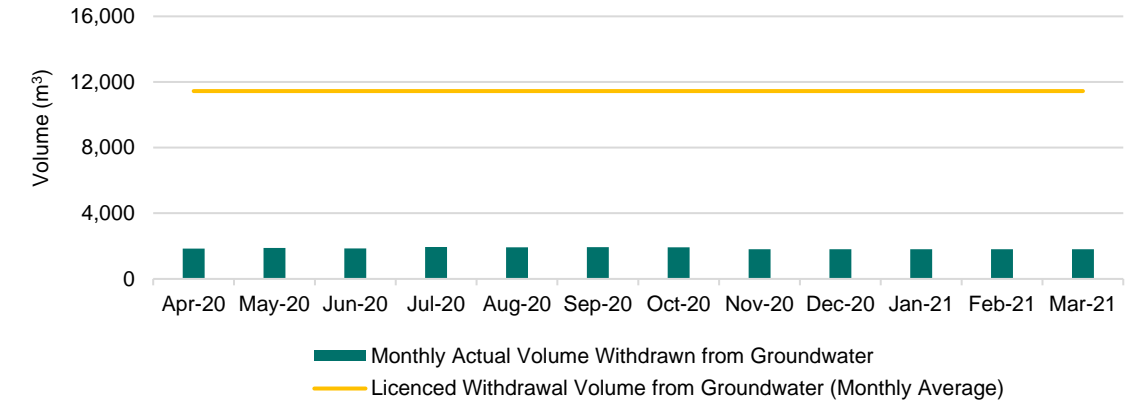
Environment

Water source management closely monitored

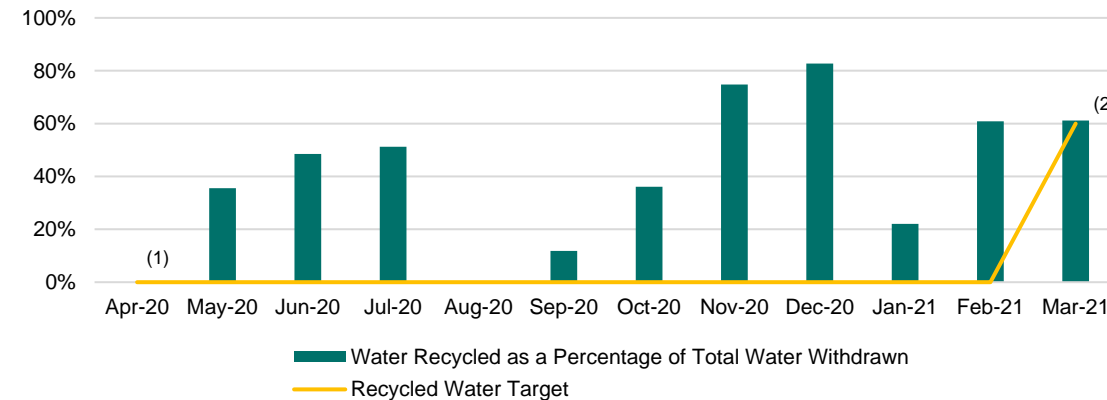
Water Withdrawn from Chipembe Dam



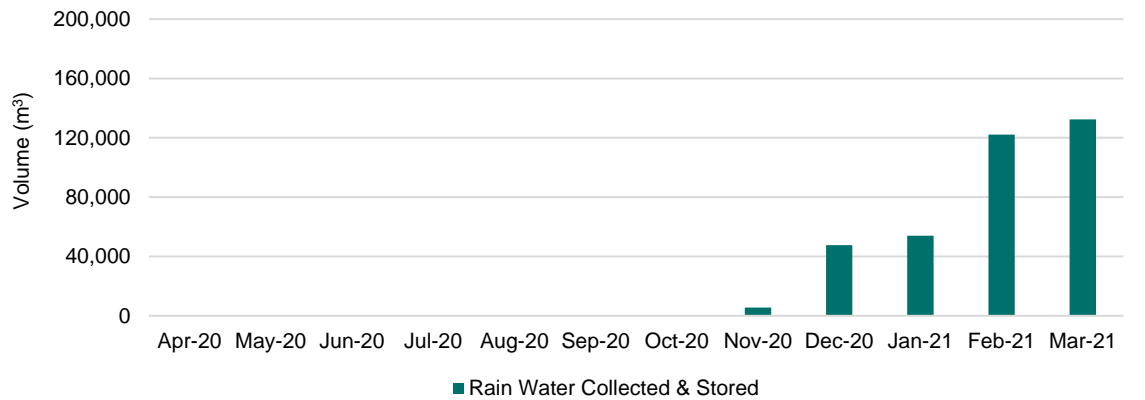
Volume Withdrawn from Ground Water



Recycled Water



Rain Water Recovered



(1) Water recycling target was set to zero at the beginning of the temporary suspension period
 (2) Target reinstated in line with the resumption of production in Mar-21

Environment

Strong governance maintained over Balama Tailings Storage Facility (TSF)

- TSF activities during the temporary production suspension period were mainly focussed on maintenance and continuous improvement projects, including:
 - All Environmental controls performed and review and updating of operational procedures
 - Maintenance and upkeep of coating along the exposed walls of the TSF
 - Monitoring of TSF water level and quality (underground and surface)
 - Vibrating wire piezometers monitoring
 - Continuous operation of the evaporation system to improve the reduction of the volume of supernatant water from the TSF
 - Laboratory analysis of TSF return water in pH and turbidity parameters
 - TSF Water Balance review and Management of the ground and surface water quality database, both historical and current
- A third-party independent review of the Balama TSF integrity, operations and all associated management systems has been commissioned, and although a site visit was not possible during the quarter, a first pass desktop review was conducted returning a positive assessment and highlighting improvement opportunities to further strengthen TSF protocols

- As part of the long-term tailings deposition plan, TSF 2 Cell A construction was initiated in 2019. Planned work for 19/20 was completed during the temporary production suspension period at Balama and construction works have resumed following the production re-start decision during the quarter. This work is on track to be completed within the required timeframes
- A TSF gap analysis has been initiated to work towards alignment with ICMM's Global Industry Standard on Tailings Management
- There have been no spills at the Balama TSF and zero non-compliances with environmental laws and regulations to date

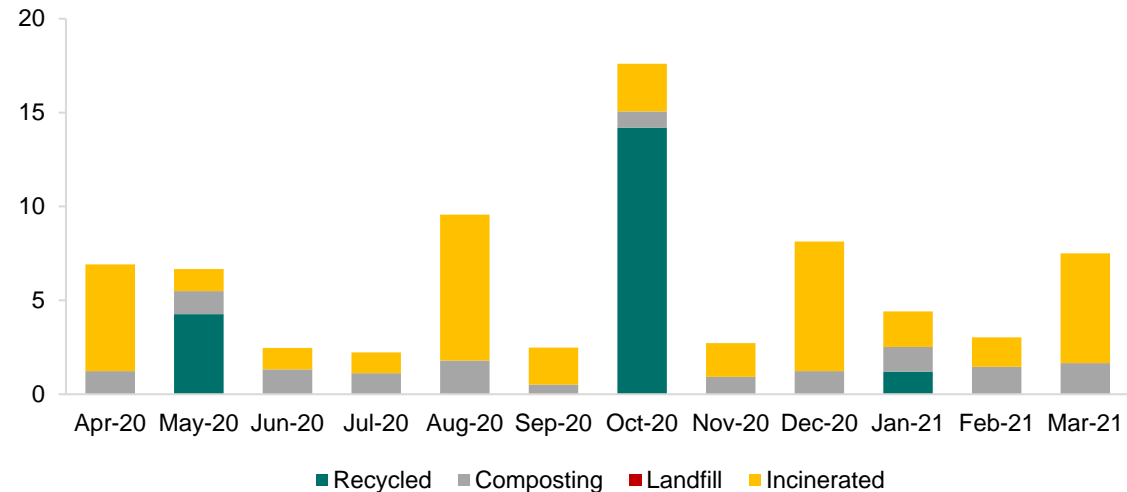


Environment

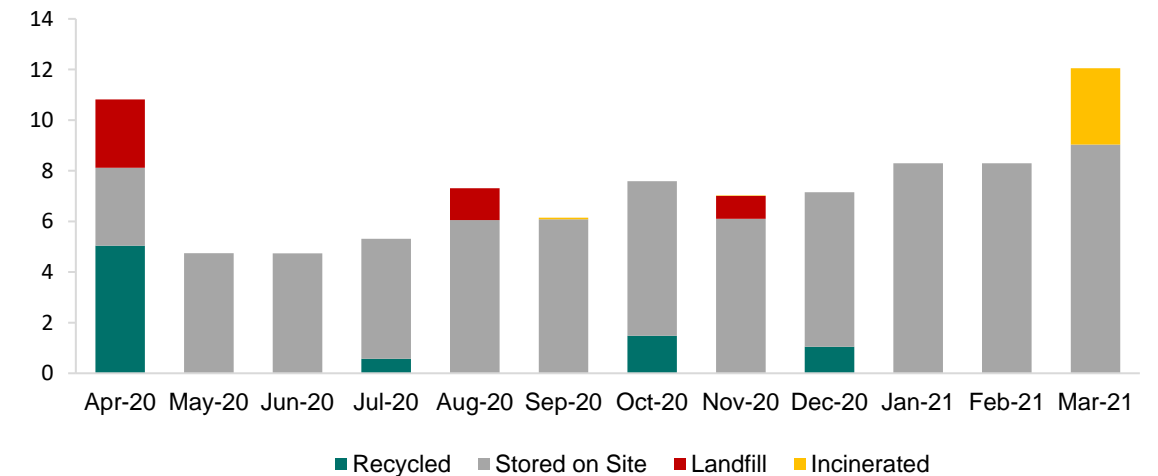
Waste management practices focus on reuse and recycling

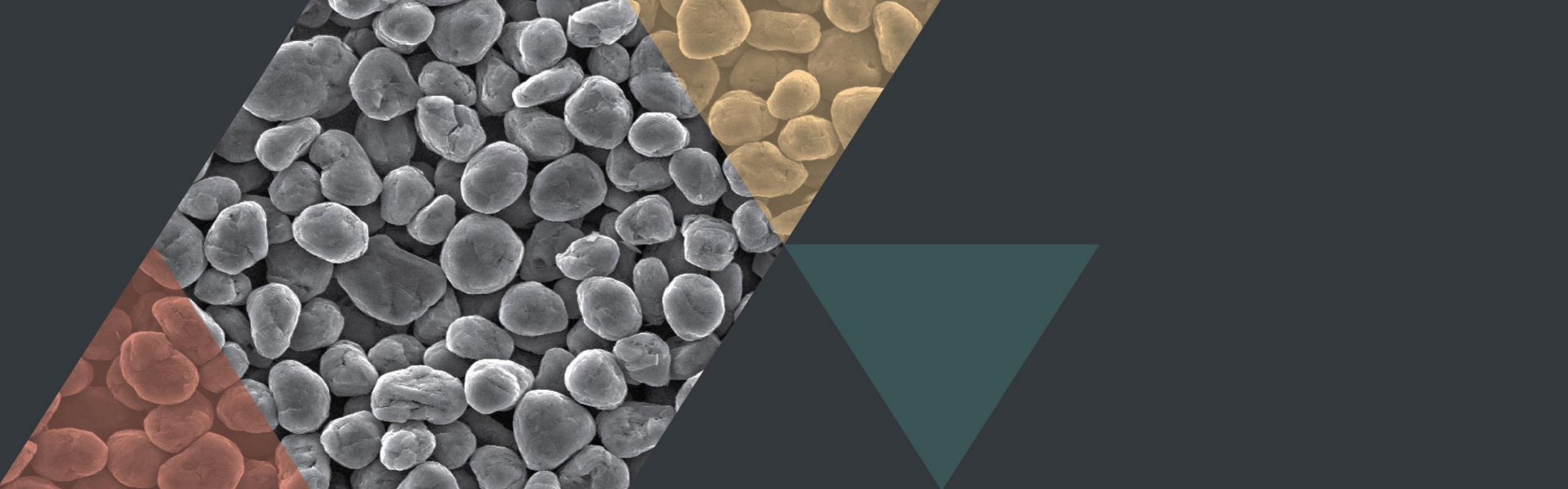
- Non-hazardous and hazardous waste disposal methods closely monitored to drive continual improvement
- Monthly differences in waste disposal method (for both non-hazardous & hazardous waste) can be attributable, in part, to Balama’s cyclical waste disposal strategy and contractor camp waste removal campaigns which are completed on an as required basis
- Continued focus on recycling waste through donations of wood pallets to the community, local institutions and specialised companies, with more than 1.2 tonnes of waste material reused or repurposed during the quarter for the direct benefit of the community
- Waste management education campaigns and awareness-raising sessions are conducted on a regular basis with the aim of reducing waste generation, improving waste disposal practices and promoting recycling strategies

Non-hazardous Waste Disposal by Method (t)



Hazardous Waste Disposal by Method (t)





Community and Stakeholders



Community and Stakeholders

Syrah remains committed to sustainable development in Mozambique through a challenging 12 months

Local Development

Delivering on local development commitments across our Host Communities



Muapé Primary School Inauguration

Economic Contribution

\$63.2M⁽¹⁾ USD paid in salaries in Mozambique to date



Control Room Operator in Balama

Health Program

Supporting the Government in improving community health and wellbeing



Onsite healthcare facilities

Social Responsibility

Partnering with the community and stakeholders for sustainability



Handover of repair works on Chipembe Dam

(1) As at 31 March 2021

Community and Stakeholders

Local Development Committee provides a structured framework to ensure Syrah deploys resources responsibly and effectively

- In 2017, Syrah established a Local Development Agreement (LDA) with the Mozambique Government to define how the Company will contribute to the sustainable development of the local community for the duration of the Mining Contract across the following three areas:
 - Physical Projects
 - Employment and Training
 - Health Promotion
- The signing of the LDA led to the establishment of a Local Development Committee (LDC) to represent the best interests of the Company's eight Host Communities and to oversee the implementation of all Company sponsored community development projects in line with the commitments under the LDA
- To ensure the fair and transparent management of community projects and associated expenditure across the Company's eight Host Communities, LDC membership includes representatives from each of the Host Communities, Company representatives and Government (District and Provincial) representatives
- It is the responsibility of the LDC to collectively decide upon sustainable development priorities and associated community projects
- The LDC meets on a quarterly basis to discuss potential future community projects and to review the progress of community projects that have already been approved and are under implementation
- A Community Projects Evaluation Tool has been developed to ensure that all community projects put forward by the LDC are aligned with the commitments under the LDA, provide mutual benefit for all parties of the LDC, and are aligned with Syrah's Values and Community Relations strategy



Balama Community Traditional Leaders



COMMUNITY RELATIONS Community Projects Evaluation Tool



<http://www.syrahresources.com.au/sustainability>
<https://www.twigg.co.mz/news>

Community and Stakeholders

Local Development Programs drive sustainable development

Livelihood Development Program

- The Livelihood Development Program (“LDP”) is a long-term program operated in partnership with the Company’s eight Host Communities to provide specialist agricultural training to local farmers. The program aims to improve crop yields, increase food security and generate independent livelihoods separate from the mine
- In 2019, Syrah distributed cashew nut saplings to its Host Communities which have successfully grown into flowering trees. The first harvest is expected in late 2021 and the cashew program will benefit approximately 419 families
- The Company continues to support the community in constructing storage units with local artisan groups which help to improve food safety and quality following successful growing seasons



Flowering cashew nut trees in Ntete village

Donation of agricultural supplies to local farmers

- The Company’s partnership with the District Resettlement Commission continues to function well, with agricultural supplies successfully distributed to local farmers throughout the quarter
- These donations (beans, maize seeds, axes, hoes, machetes and fuel) are intended to encourage agricultural development of under-utilised land and improve the community’s capability to resolve food shortage concerns in the district
- This initiative will be managed through the LDP so that the farmers remain well equipped and properly trained to ensure the long term sustainability of the project



Delivery of agricultural supplies to local farmers through the District Resettlement Commission

Community and Stakeholders

Ongoing contribution to the growth and sustainable development of our Host Communities

Muapé Primary School, Ntete Community Building and Rehabilitation of Maputo Road

- Syrah delivered two important local development projects during the quarter, with a community building in Ntete village and a primary school Muapé village officially handed over to the Balama District Government
- Both handover ceremonies were attended by dignitaries including the Governor of Cabo Delgado, the Balama District Administrator, Host Community leaders, and Syrah representatives who reinforced the Company's ongoing commitment to contributing to the socio-economic development and sustainable growth of the local community
- The new primary school in Muapé village represents a significant improvement to existing infrastructure, with over 500 children now having access to fully equipped classrooms, recreational facilities, and improved sanitation, shelter and security conditions
- The new community building in Ntete village will serve as a central meeting point for neighbouring village leaders to discuss matters of importance affecting their communities and will also be utilised by the District Police to improve the safety and security of the community, including use as a training facility
- Works on the rehabilitation of Maputo Road have progressed significantly with 90% completion by quarter end. Maputo Road is an important transport route for Mualia village, and once rehabilitated it will enable better vehicle access to and from the village which will increase business and trade in the area, improve emergency services capability, reduce work and school commute timeframes, and improve road traffic safety



Muapé Primary School Inauguration



Ntete Community Building



Rehabilitation of Maputo Road

Community and Stakeholders

Strengthening relations with Government and the community through proactive stakeholder engagement

- Several engagements were made with Government and community representatives throughout the quarter with a focus on Syrah's commitment to the long-term sustainability of the Balama Graphite Operation, community development, COVID-19 mitigation and the evolving security situation in Cabo Delgado

Public Consultation Meeting

- Two Public Consultation Meetings were held during the quarter for Company representatives to provide stakeholders with an update on Syrah's Sustainability performance in 2019-2020
- An in-person meeting was held for stakeholders from the local area and a virtual session was conducted for other stakeholders from around the province and country to ensure a broader participation while respecting COVID-19 physical distancing measures
- The meetings were conducted in accordance with Mozambique Environmental Law which requires organisations in the extractive sector to consult with affected and interested parties of the Company's operations and social and environmental performance e.g. the government and local communities



Public Consultation Meeting in Balama

Community Leadership Meeting

- Syrah facilitated a community meeting in March, with leaders from each Host Community in attendance, to provide a business update on the resumption of operations at Balama and the recruitment process associated with the restart
- It was explained that recruitment would be carried out in tranches and former employees affected by Company restructuring would be prioritised for re-hire
- Of the 63 positions filled at quarter end, 97% of new hires are former employees who were affected by Company restructuring in 2020
- The village leaders and secretaries also took the opportunity to seek further clarification regarding the restart of operations and ask questions related to upcoming community development projects, the reopening of the Balama Professional Training Centre and future employment opportunities



Community Leadership Meeting

Community and Stakeholders

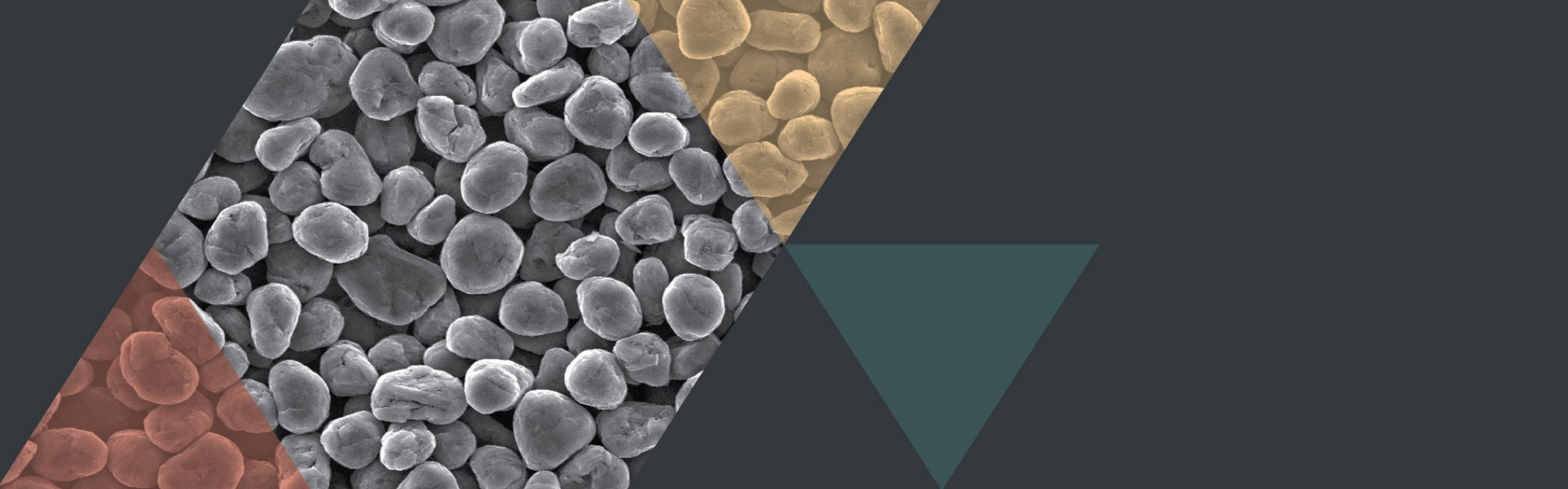
Diversity celebrated on International Day of Human Fraternity

- International Day of Human Fraternity is commemorated during World Interfaith Harmony Week in February each year
- World Interfaith Harmony Week was declared by the United Nations General Assembly in 2010 to promote harmony between people of all religions and generate a culture of acceptance, peace and nonviolence
- Syrah employs people from over 15 countries across the business and so commemorating World Interfaith Harmony Week is an important way to celebrate our rich diversity of backgrounds and beliefs
- At Balama, the occasion was marked by showcasing the diversity of the workforce through various events including traditional Mozambican dances of “Xigubo”, “Mapico”, “Vira do Minho” and “Khirimo”
- Syrah has a number key policies⁽¹⁾ in place that support and underpin the Company's commitment to maintaining an ethical, diverse and inclusive organisational culture where all employees have an equal opportunity to access information, develop professionally, advance their careers, participate in key business activities and contribute to organisational decision-making processes relevant to their role



International Day of Human Fraternity Celebration at Balama

(1) Link to Syrah's Group Policies: <http://www.syrahresources.com.au/corporate-governance>



People



People

Syrah supports and empowers its people to reach their full potential

Diversity and Inclusion

Committed to achieving and maintaining a diverse & inclusive workplace



Celebrating diversity on Human Rights Day

Employee Engagement

Enhancing performance and engagement through reward and recognition



Employees acknowledged for achieving Q1 KPIs

Local Employment

Recruitment of Host Community members prioritised



Supporting the development of local employees

Training & Development

550⁽¹⁾ Mozambicans employed in direct and contract roles at Balama



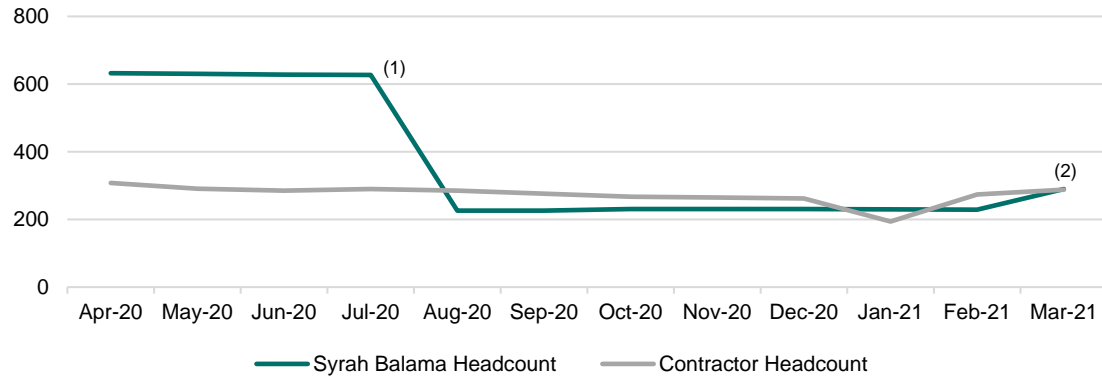
Employees trained to use specialised laboratory equipment

(1) As at 31 March 2021

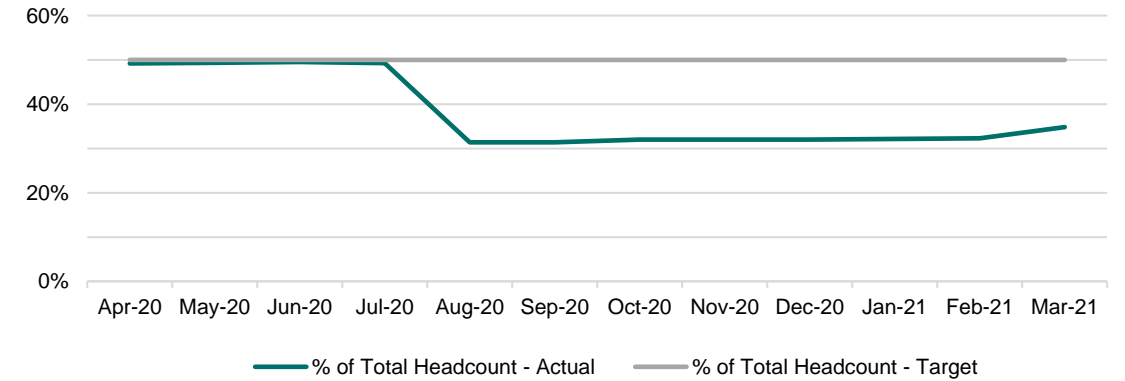
People

Key employment metrics at Balama reported monthly

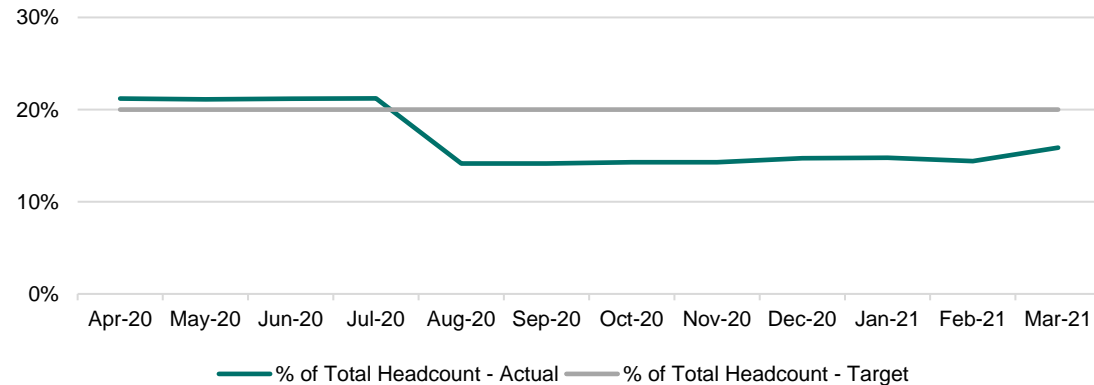
Direct and Contract Employment



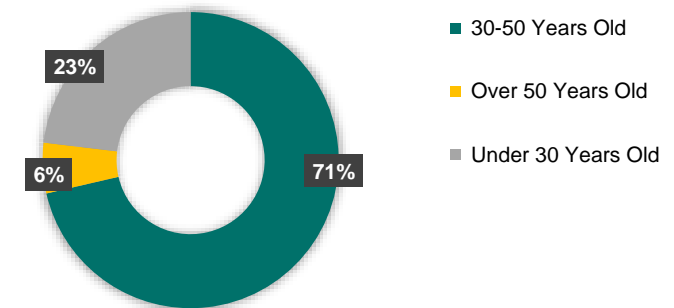
Local (Host Community) Employment



Female Employment



Age Distribution



(1) Headcount reduction in Aug-20 due to organisational restructure which resulted in a headcount reduction of ~65% at Balama across all employment categories
 (2) Recruitment ramp up commenced in line with the resumption of production in Mar-21

People

Equipping employees with the skills and tools they need to succeed

Technical English Language Training

- As part of the Processing Team's professional development, Syrah facilitated English language training for its Mozambican employees to enable them better understand the technical terminology associated with operating and maintaining the processing plant
- This training is one of many employee development initiatives implemented through the temporary suspension period at Balama in an effort to upskill Syrah's national workforce, localise Fly-in Fly-out (FIFO) roles where possible, ensure employees remain engaged and motivated, and maintain readiness to restart operations
- This training will continue through the restart of operations so that all local new starters can benefit from gaining a better understanding of processing operations and ensure that language is not barrier to efficient communication, performance, employee engagement and career progression



Technical English Language Training – Theoretical Lessons



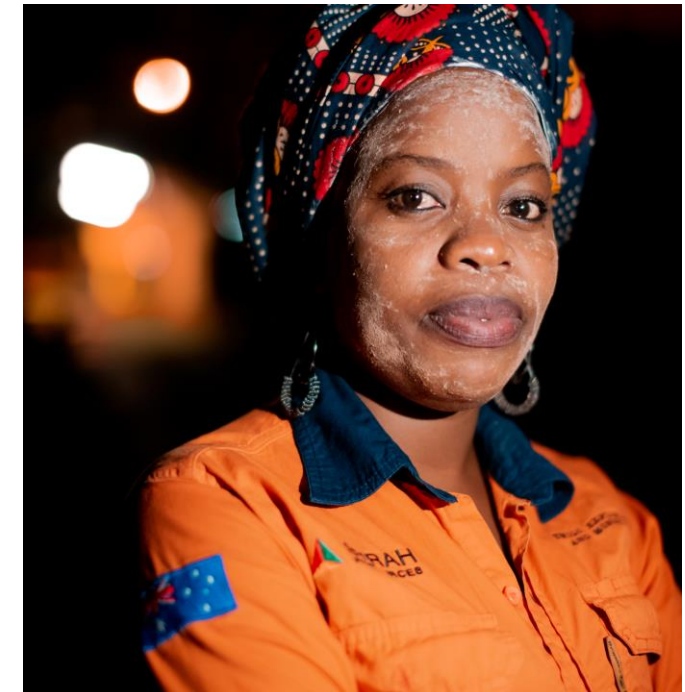
Technical English Language Training – Practical Lessons

People

Syrah remains committed to meeting its gender diversity targets despite a challenging year

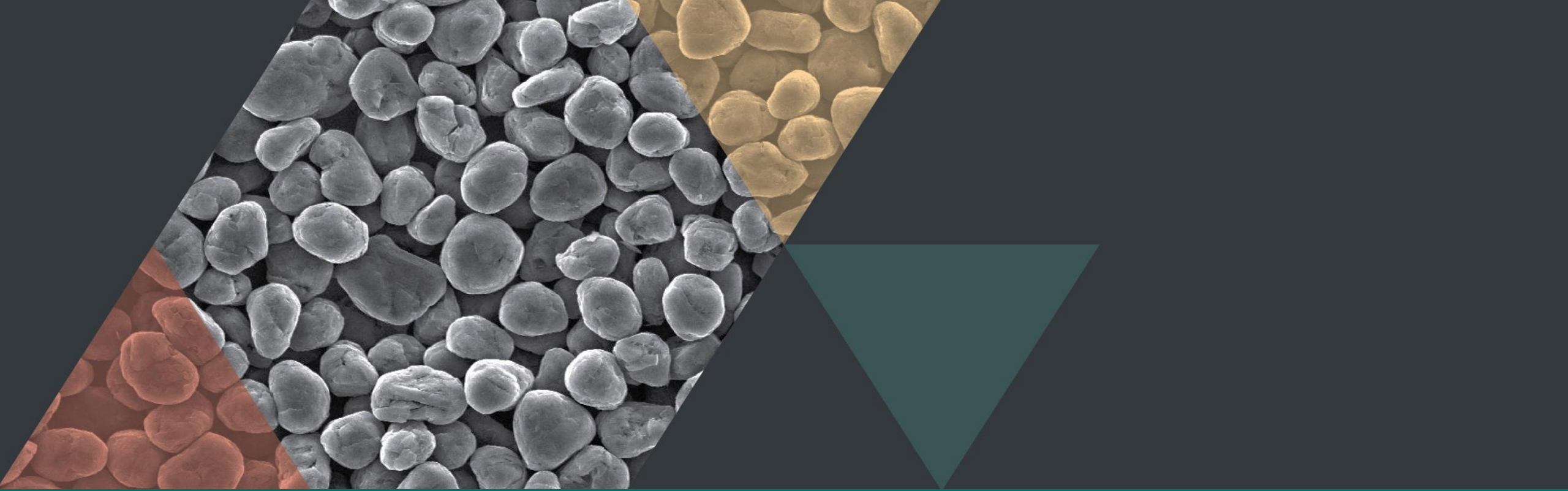
The Board has overseen the establishment of the below diversity targets to ensure alignment with the Workplace Gender Equality Act and the ASX Corporate Governance Principles and Recommendations. Syrah's gender diversity targets are reviewed on an annual basis as a minimum, and more regularly as deemed necessary to ensure targets are increased in line with organisational growth and development.

Business Area	Description	TARGET			ACTUAL (as at quarter end)
		2021	2022	2025	
Board of Directors	Representation of women on the Board of Directors of the Company (includes Managing Director & Chief Executive Officer).	33%	33%	50% ± 10%	33%
Senior Leadership Team (CEO, CEO-1 & CEO-2)	Representation of women in senior leadership roles, defined as the Key Management Personnel (KMP) of the Company and KMP direct reports in General Manager level roles and above.	25%	25%	50% ± 10%	18%
Corporate Group	Representation of women across Corporate business divisions (Australia and Dubai).	50% ± 10%	50% ± 10%	50% ± 10%	52%
Operations	Representation of women across Twigg Exploration and Mining Limitada (Balama Graphite Operation) and Syrah Technologies LLC (Vidalia Active Anode Material Project).	Balama: 20%	Balama: 20%	Balama: 22%	Balama: 16%
		Vidalia: 18%	Vidalia: 18%	Vidalia: 20%	Vidalia: 13%



Embracing diversity at Balama

(1) Read Syrah's Diversity & Inclusion Policy here: <http://www.syrahresources.com.au/corporate-governance>



Vidalia Active Anode Material Project

Vidalia Active Anode Material Project

Syrah is committed to implementing long term sustainable practices at Vidalia

Health and Safety

Vidalia Project being developed in line with Syrah's best practice standards

Environmental Monitoring

Wastewater treatment a key focus at Vidalia

Stakeholder Engagement

Forming mutually beneficial relationships with stakeholders and the community

Our People

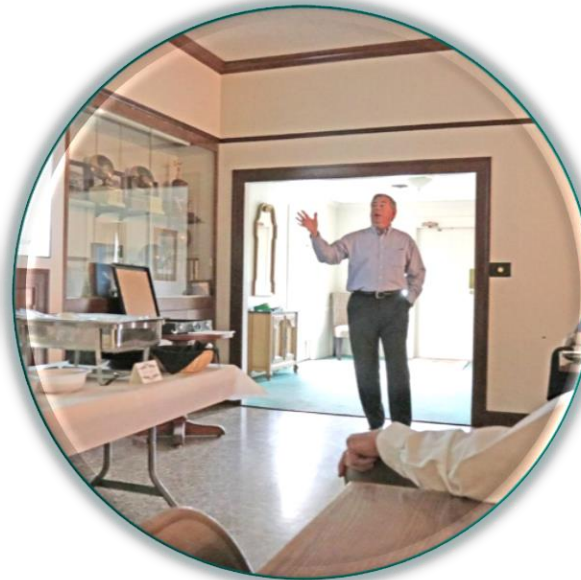
Ongoing commitment to local employment, training and development



Syrah's computer based safety training portal



Instrument for measuring the pH of wastewater effluent



Regular business updates provided to local stakeholders

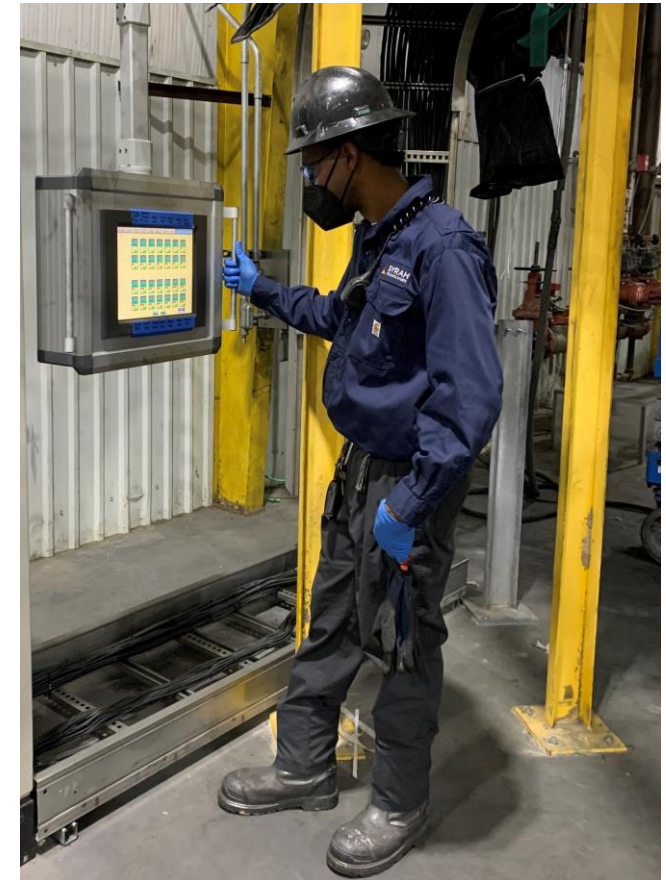


Employee loading raw material into the carbonisation furnace

Health, Safety and Environment

Operations at Syrah's Active Anode Material plant in Vidalia continue under strict COVID-19 protocols

- Syrah maintained good operational continuity at its Active Anode Material production facility in Vidalia during the quarter despite significant COVID-19 challenges being experienced throughout United States at this time
- Although several COVID-19 restrictions remain in place, Syrah's supply chain has not been significantly impacted and the Vidalia operation has continued to achieve key progress milestones, underpinned by robust systems and agile project management
- The team continues to operate under rigorous COVID-19 protocols, including:
 - Temperature checks required for all personnel and visitors before entering facility
 - Visitors limited to those individuals supporting immediate Syrah operational priorities
 - Face masks required where more than one individual is present, regardless of physical distancing
 - Frequent sanitisation of plant common areas
 - Weekly deep clean of the facility by a specialist cleaning contractor



Face masks are now a standard PPE requirement

Completion of Carbonisation Furnace

Syrah completes furnace installation at Vidalia to enable AAM production

- The carbonisation furnace was safely installed at Vidalia during the quarter
- This will enable Active Anode Material (“AAM”) to be produced at Vidalia using natural graphite from Syrah’s Balama Graphite Operation
- The installation of the furnace represents a significant milestone for Syrah on its path to becoming a vertically integrated producer of natural graphite AAM, as treating material using the furnace is the final stage in the processing of natural graphite for use in lithium-ion batteries
- Syrah is using the furnace for ongoing customer qualification of AAM manufactured wholly within Syrah’s Balama and Vidalia facilities
- The Company is progressing its detailed design on the initial expansion of production capacity at Vidalia and a final investment decision for the construction of a 10ktpa AAM facility is planned during H2 2021, subject to end customer commitments and strategic / financial partnerships



Carbonisation furnace main chamber

Health, Safety and Environment

Zero safety or environmental incidents recorded during the quarter

- Syrah is committed to maintaining its strong safety record and standards across the Group
- Risk Assessment Framework at Vidalia focusses on identifying high risk activities and ensuring adequate controls are in place to mitigate and prevent incidents, injuries and fatalities
- Q1 Operations Statistics
 - Zero recordable injuries or safety incidents
 - Zero environmental incidents
- Safety Training
 - Online and in-person safety training continued throughout the quarter
- February Severe Winter Storm
 - During mid-February much of Louisiana, Texas, and Mississippi was paralysed by a severe winter storm, which brought snow, freezing rain, and power outages to the region
 - Syrah employed proactive measures to ensure that no safety or environmental incidents occurred as a result of the severe weather
- Wastewater Treatment
 - Syrah's partnership with the City of Vidalia for process water supply and wastewater treatment continues to work well
- Solid Waste Disposal
 - Syrah's partnerships with facilities waste disposal service providers, Veolia and Waste Management, are also functioning effectively



New pilot carbonisation furnace control station



Power outages resulting from severe winter storms

Community and Stakeholders

Syrah continues to build strong relationships with local stakeholders and goods & service providers in the Miss-Lou region

- Syrah continues to grow its business relationships with local goods and service providers in the Vidalia (Louisiana) and Natchez (Mississippi) region (“Miss-Lou”) with over 55 local business entities engaged, enabling local employment growth beyond its own hiring of personnel
- Syrah has built strong relationships with established industrial enterprises in the Miss-Lou region and has leveraged on those relationships by sharing best practice strategies in COVID-19 prevention, health and safety standards and hiring of talent from the local labour pool
- With the increasing pace of COVID-19 vaccinations in the U.S., Syrah and other manufacturers in the region are returning to in-person participation in local business and community forums including:
 - Natchez Now Economic Development Consortium
 - Miss-Lou Employer Roundtable
 - Concordia Local Emergency Planning Committee
 - Concordia Chamber of Commerce



Meeting Of Concordia Chamber Of Commerce



SYRAH RESOURCES

Previous Quarterly Sustainability Updates can be found here:

<http://www.syrahresources.com.au/sustainability-reports>

<https://www.twigg.co.mz/news> - Portuguese translation