EcoGraf Limited: Term Sheet with thyssenkrupp Materials Trading

04.06.2020 | DGAP

Sales for 50% of Planned Kwinana Production

EcoGraf Ltd. (EcoGraf or the Company) (ASX: EGR) is pleased to announce it has executed a non - binding agreement with thyssenkrupp Materials Trading GmbH, a subsidiary of major German technology group thyssenkrupp AG, for a long-term commercial agreement for the sale of Company's battery graphite products from its planned Kwinana Facility located in Western Australia.

The agreement is for the sale of purified spherical graphite (SpG) battery anode material and by-product (fines).

Key Terms:

- Phased sales volumes:

- Year 1: 2,310 tonnes of SpG and 2,310 tonnes of fines.

- Year 2: 3,600 tonnes of SpG and 3,600 tonnes of fines.

- Year 3 onwards: 10,020 tonnes of SpG and 10,020 tonnes of fines.

- Term of 10 years from the commencement of production, renewable by mutual agreement.

- Prescribed specification requirements, based on agreed carbon content, particle sizing, moisture, pH value, particle sizing, tap density and specific surface area.

thyssenkrupp, Materials Trading one of the world's leading commodity trading companies, is a subsidiary of the global thyssenkrupp corporate group. thyssenkrupp AG is a technology group headquartered in Germany with approximately 160,000 employees in nearly 80 countries that generated sales of around €42 billion in the last financial year.

EcoGraf's Managing Director, Mr Andrew Spinks said, "The signing of the agreement involving the sale of value-added battery mineral products is a milestone event for our Company and supports recent Federal and State Government initiatives to encourage battery manufacturing in Australia."

"The agreement represents a significant step forward in our efforts to secure funding for the new Kwinana facility and confirms the increasing demand by customers for environmentally responsible graphite purification, which is attracting strong interest from electric vehicle, lithium-ion battery and battery anode manufacturers who are seeking to improve the sustainability of their battery mineral supply chains."

This announcement is authorised for release by Andrew Spinks, Managing Director.

For further information, please contact:

INVESTORS

Andrew Spinks
Managing Director
T: +61 8 6424 9002

About thyssenkrupp Materials Trading

thyssenkrupp Materials Trading is an international trading and services company headquartered in Essen, Germany. Its product range includes raw materials such as alloys, nonferrous metals, minerals, coke, coal and ores, various raw materials for future technologies, metallurgical products such as steel and pipes, pipe accessories, finished steel and stainless steel, as well as trading with new and used industrial equipment, machine tools, spare parts, and structural elements for hydraulic steel engineering and the offshore sector, plus materials and logistics services of all kinds. The range is rounded out by tailored offers including financing and shipment.

About EcoGraf

Founded on a commitment to innovation and sustainability, EcoGraf is building a vertically integrated business to produce high purity graphite for the lithium-ion battery market.

The new state-of-the-art processing facility in Western Australia will manufacture spherical graphite products for export to Asia, Europe and North America using a superior, environmentally responsible purification technology to provide customers with sustainably produced, high performance battery anode graphite. In time the battery graphite production base will be expanded to include additional facilities in Europe and North America to support the global transition to clean, renewable energy in the coming decade.

To complement the battery graphite operations, EcoGraf is also developing the TanzGraphite natural flake graphite business, commencing with the Epanko Graphite Project, which will supply additional feedstock for the spherical graphite processing facilities and provide customers with a long term supply of high quality graphite products for industrial applications such as refractories, recarburisers and lubricants.

A video fly-through of this new facility is available online at the following link:
Fly through video