

25 June 2015



## SYRAH RECEIVES FINAL KEY REGULATORY APPROVAL

### INTRODUCTION

Syrah Resources Limited (ASX: SYR, Syrah or the Company) is pleased to announce that it has received its Land Access (DUAT) License for the Balama Graphite Project from the Ministry of Land, Environment and Rural Development (MITADER).

#### Highlights:

- **Land Access (DUAT) License approved by Mozambican Government**
- **All key approvals have now been received for the Balama Graphite Project including:**
  - **Mining Concession granted in December 2013 for a period of 25 + 25 years**
  - **Water License granted**
  - **Environmental License granted**
  - **Land Access (DUAT) License granted**
- **Project development activities are in progress to facilitate construction and the ramp up of production**

### LAND ACCESS (DUAT) LICENSE

Syrah has received from the Ministry of Land, Environment and Rural Development (MITADER) its Land Access (DUAT) License for the Balama Project. Under Mozambican Law, the DUAT grants the titleholder the right of land use for the duration of the Mining Concession, and can be renewed for a further 25 years.

Accordingly, Syrah can now proceed with Phase II and III of the farmland relocation plan which will involve the clearing of land to facilitate initial mine development including mine pits, haul roads, run-of-mine pad, tailings storage facility, plant area and supporting infrastructure as well as the accommodation camp.

*Syrah Managing Director Tolga Kumova commented: "We would like to acknowledge the efforts of the staff within the Ministry of Land, Environment and Rural Development for their efforts in reviewing and supporting Syrah's Land Access application. The awarding of all the key regulatory licenses has been the culmination of over 2 years of detailed studies and proactive engagement with the Mozambican Government and community."*

## **BALAMA GRAPHITE PROJECT UPDATE**

Project development activities are in progress or are being planned, and Syrah is very well placed to successfully deliver the construction and ramp up of the Balama Graphite Project.

- Phase II of the farmland relocation plan and land clearing has commenced in order to gain access to land for construction
- Completion of Front End Engineering Design (FEED)
- Appointment of engineers to commence detailed engineering design of the process plant and infrastructure (including the tailings storage facility)
- Secure and procure long lead items of capital equipment
- Commence earthworks and civil works, targeting substantial completion prior to the wet season in November.
- Issue of tenders for the procurement of the Balama Project Power Station
- Establishment of long term service contracts (e.g. fuel, consumables, catering, medical, security, etc.) to support operations
- Finalise product logistics and warehousing at the Port of Nacala
- Development of operational procedures and systems
- Further recruitment of key operation personnel to support the expansion in project activities
- Continue to undertake social responsibility projects for local villages e.g. drilling of water bores and construction of schools
- Continue to develop positive relationships with key stakeholders e.g. Mozambican government.

The following figure shows plan for land exchange with local farmers and the progress of land clearances for the Balama plant site.

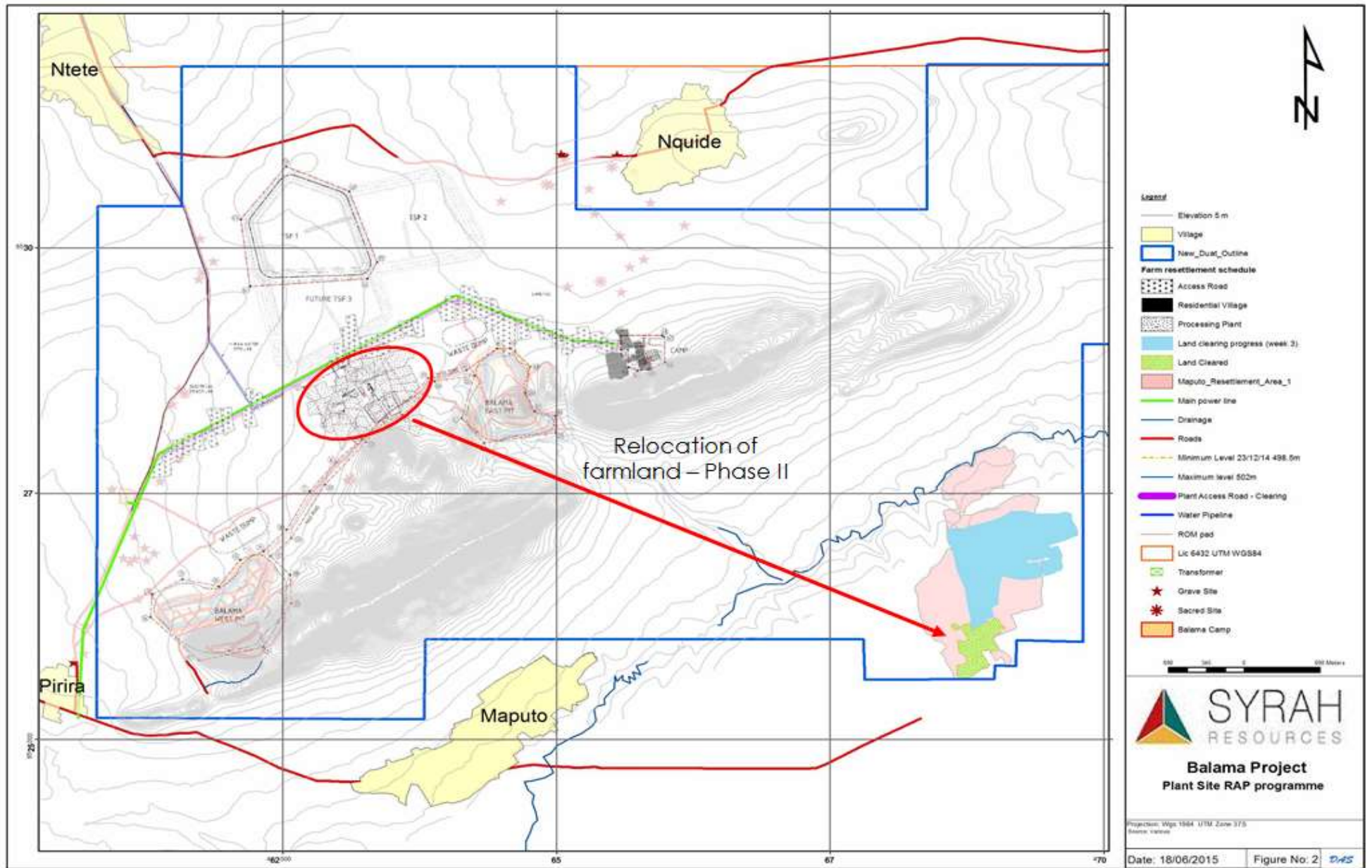


Figure 1: Land exchange plan and progress of land clearances for the Balama plant site

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**About Syrah Resources**

*Syrah Resources (ASX code: SYR) is an Australian resource company that is rapidly progressing its flagship Balama Graphite and Vanadium Project in Mozambique to production. The Project hosts the largest graphite ore reserves in the world with an Australasian Joint Ore Reserves Committee (JORC) compliant Ore Reserve of 81.4 Mt at 16.2% total graphitic carbon. Balama is a 110 km<sup>2</sup> granted Mining Concession located within the Cabo Delgado province in the district of Namuno in northern Mozambique. The Project is approximately 260 km by road west of Pemba and is accessible by a sealed, main road, running directly from Pemba Airport. The Port of Nacala is approximately 490 km by road south east of the Project and is the deepest port in Southern Africa.*