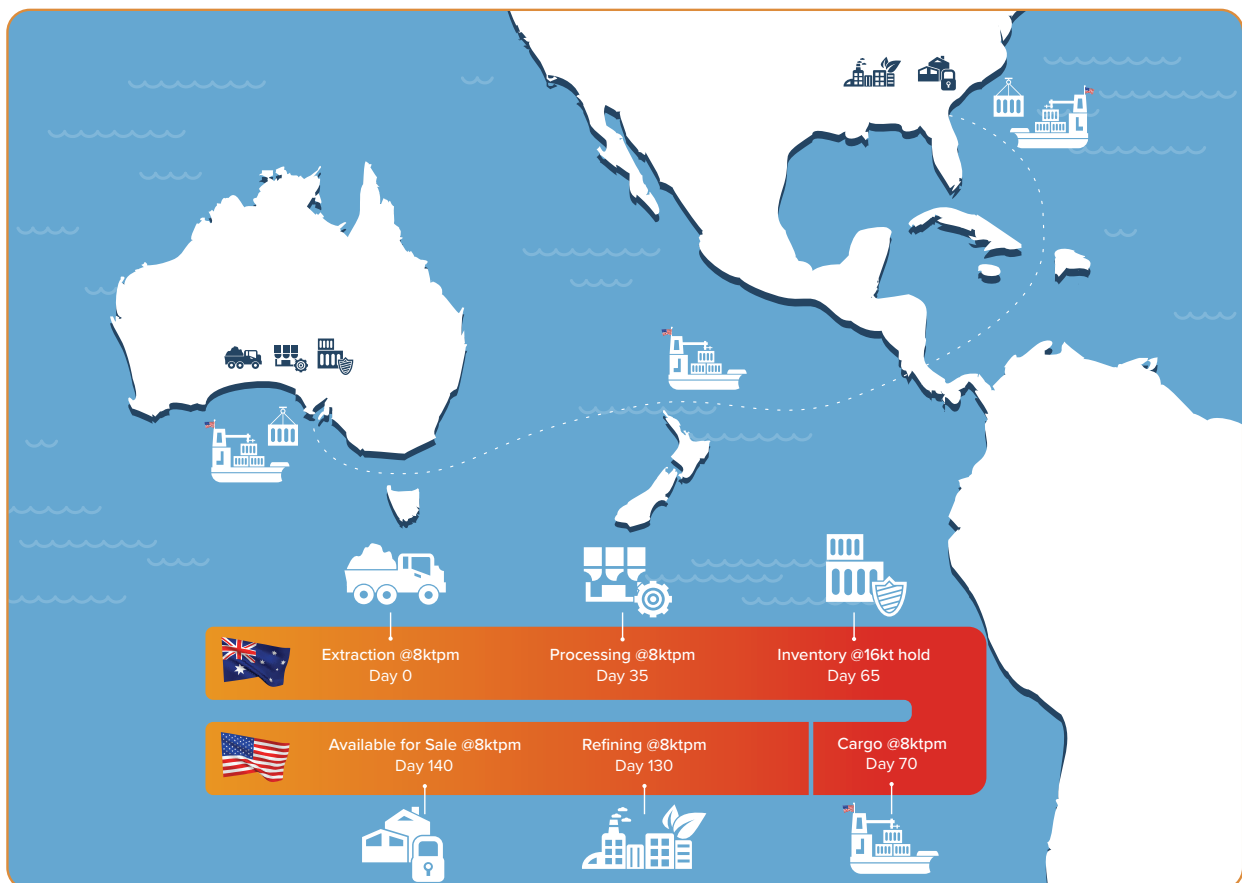


## US EXIM Bank Update

The Company is pleased to announce that it and Sunlands Energy Co. have received a Letter of Interest (LOI) and non-binding Indicative Term Sheet from US EXIM Bank (EXIM) for a financing commitment of up to US\$300 million.

This financing, if it proceeds, will be structured to support a complete end to end supply chain for the production and delivery of refined flake graphite to the East Coast of the United States (Project Utile). US EXIM Bank has not made a binding offer of finance for Project Utile and will not until due diligence is completed successfully, the bank's general underwriting criteria is met and the financing satisfies the bank's authorisation process. The Bank's authorisation process is an internal US EXIM Bank process involving the Individual Delegated Authority of the Vice President of Trade Finance and Insurance. Accordingly, there is no guarantee that an offer of finance will be made by US EXIM Bank or, in the event of an offer, the company and Sunlands Energy Co. will accept the offer.



### ABOUT QUANTUM GRAPHITE LIMITED

QGL is the owner of the Uley flake graphite mineral deposits located south-west of Port Lincoln, South Australia. The company's Uley 2 project represents the next stage of development of the century old Uley mine, one of the largest high-grade natural flake deposits in the world. For further information, [qgraphite.com](http://qgraphite.com)



### ABOUT SUNLANDS ENERGY CO.

Sunlands Energy Co. is the leading developer of thermal energy storage technology (TES Graphite Cells) designed to drive commercial, industrial and utility-scale steam turbine generators. The company's TES Graphite Cells are capable of restoring baseload generation, delivering critical synchronous support to grid networks and eliminating the large-scale curtailment of renewables generation. For further information, [www.sunlandsco.com](http://www.sunlandsco.com)

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The LOI and Term Sheet stipulate that:

- (a) the tenor of the Project Utile financing would be 10 years under EXIM's Make More In America initiative: (<https://www.exim.gov/about/special-initiatives/make-more-in-america-initiative>); and
- (b) the project may be eligible for special consideration under EXIM's China and Transformational Exports Program: (CTEP, <https://grow.exim.gov/blog/what-is-ctep#>).

Project Utile includes two distinct activities and related logistics that, combined, ensure a platform is maintained for US domestic production of purified graphite. This platform will commence with the delivery up to 100,000 tonnes per annum of high purity graphite (HPG, i.e., flake graphite 99.9% graphitic carbon). The project has been designed with the capability to grow this US domestic production from QGL sourced flake graphite concentrate and more generally from flake concentrate from the Eastern Eyre Peninsula.

The financing will cover the following activities:

- (a) QGL's mining and production of flake graphite concentrate at its Uley mine location;
- (b) the production of HPG at a Sunlands Energy Co. facility which, subject to confirming certain logistics requirements, will be located in the state of South Carolina; and
- (c) Logistics facilities in South Australia and the USA.

The Company and Sunlands Energy Co. have now replied to EXIM's LOI and Indicative Term Sheet that they will proceed with the formal funding application which will trigger commencement of the due diligence process. The Company will provide further details as it progresses the funding process.

**FOR MORE INFORMATION PLEASE CONTACT:**

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