

**MEDIA RELEASE**  
For Immediate Release  
20 December 2024

## **US EXIM BANK UPDATE**

### **LODGEMENT OF DIRECT LOAN AND GUARANTEE FINAL APPLICATION**

The Company is pleased to announce that it and Sunlands Energy Co. have lodged the *Direct Loan and Guarantee Final Application* with US EXIM Bank (EXIM) for the amount of US\$300 million. The application represents the next critical step, i.e., EXIM's formal consideration of the Project Utile funding proposal and the issue of the Preliminary Project Letter (PPL).

Project Utile was the subject of the EXIM Letter of Interest (LOI) and Term Sheet (see ASX announcement of 18 July 2024, *US EXIM Bank Update*) issued to the parties in mid-July 2024.

The PPL typically includes the financing offer with the corresponding general terms and conditions. A PPL is issued within 45 days of the date of the application subject to any further requests by EXIM for further or additional information.

EXIM's evaluation of the application involves an early review process that supports applicants by providing a preliminary review of the application submission and feedback within 5 to 10 business days.

The Project Utile activities covered in the application remained unchanged from those included in the Company's earlier announcements, i.e.,:

- (a) All Uley 2 mining activities including Uley region resource exploration and JORC 2012 reserves expansion;
- (b) Production of more than 100,000 tonnes per annum of flake graphite concentrate at the Uley mine site location;
- (c) Production of 100,000 tonnes per annum of high purity graphite at a facility to be located in South Carolina; and
- (d) Logistics facilities in South Australia's Eastern Eyre Peninsula and South Carolina.



#### **ABOUT US EXIM**

The Export-Import Bank of the United States (US EXIM) is the official export credit agency of the United States. Its mission is to support American job creation, prosperity and security through exporting. It is accomplished by unlocking financing solutions for U.S. companies competing around the globe. The China and Transformational Exports Program (CTEP) is a US EXIM mandate to help U.S. exporters facing competition from the People's Republic of China (PRC) and ensure the U.S. continues to lead in specified Transformational Export Areas including renewable energy, energy storage and energy efficiency.



#### **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 application was made following extensive consultation with EXIM since the issue of the LOI and Term Sheet. This led to a final round of in-person meetings with senior EXIM executives in Washington D.C. in mid-November 2024. This consultation greatly assisted the Company and Sunlands Energy Co. formulate the structure of the application, define the scope of certain materials to be included therein and resolve various complexities associated with the supply chain activities.

Chairman Bruno Ruggiero, commented that, *“our due diligence team set an exhaustive pace to prepare and deliver a comprehensive application by the end of 2024, congratulations to them all. The scope of Project Utile should not be underestimated. It is in fact several projects that, combined, will result in one of the most significant critical minerals supply chains developed in decades”*.

In addition to the EXIM meetings last month, Managing Director Sal Catalano and Chimaera Capital US Executive Director, Robert Grant concluded several meetings in South Carolina to finalise the short list of locations for the South Carolina HPG facility. They met with senior officials in Union County, Dorchester County and the South Carolina Department of Environmental Services. The HPG facility will be constructed on a single site in either Dorchester County or Union County. The sites examined in each of these counties satisfied the parties’ key criteria, i.e., location on the main Port of Charleston – Spartanburg rail line, suitable environmental controls and acceptable to the parties’ insurers (especially in relation to weather events).



Sal Catalano and Robert Grant attending the Union County Development Board



Sal Catalano and Robert Grant also attended meetings with Port of Charleston officials and inspected Wando Welch, one of the port's two main container terminals, capable of handling three mega container vessels at any one time.



Sal Catalano and Robert Grant inspecting the Port of Charleston's Wando Welch mega container terminals.

The port is very well equipped to handle the container cargo format adopted by the parties and already accepts major vessels and carriers from both North Asia and South East Asia.

While EXIM considers the application, the parties due diligence team headed by Sal Catalano, continue diligence on the short list of sites including working with local officials at the South Carolina Department of Environmental Services to finalise all outstanding environmental planning issues.

The due diligence team members consisting of Director, Michael Wyer, Sunlands Energy Co. Executive Director Quentin Law, Chief Financial Officer Pauline Borg and Company Secretary Rochelle Pattison will manage the application process and take responsibility for the preparation of any further material required by EXIM to conclude its review.

Subject to the usual delays arising from the holiday season, the Company expects to provide a further update by mid-January 2025.



**FOR MORE INFORMATION PLEASE CONTACT:**

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