

Highlights

- Development of Quantum-Sunlands Eyre Peninsula Graphite Hub – Commencement of detailed planning in conjunction with key South Australian Government stakeholders
- Uley 2 Project financing – Three additional financiers have requested and been given access to the Company's data room and now join US EXIM Bank in due diligence
- Exploration activities – The new data sets generated by the Company's extensive geophysical exploration activities have delivered further insight into the Uley Region mineralised structure
- Uley Graphite purification data – Analysis and collation of data from further rounds of testwork undertaken for prospective customers

In the prior period, the Australian Federal Government awarded Major Project Status to the EPG Hub, a complete graphite supply chain that includes mining, processing and the refining of flake graphite together with associated logistics.

The EPG Hub is being developed by the Company and joint venture partner, Sunlands Energy Co. The centrepiece of the Hub is the Company's fully permitted Uley 2 project and Sunlands Energy Co.'s thermal energy storage technologies.

During the period, Managing Director, Sal Catalano met with the newly sworn in Minister for Industry and Innovation Senator Tim Ayres to discuss the scope of the EPG Hub and its potential as the export centre for all Eyre Peninsula graphite concentrate. The EPG Hub's location is well suited to servicing all major markets including North America, Europe and the Middle East and the emerging Li-ion battery centre in Central Java.



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

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.sunlandsc.com

A key commercial objective of the EPG Hub is its positioning as a global reference price point for high quality graphite concentrate. This would be strengthened if substantially all of the Eyre Peninsula graphite concentrate was marketed from the EPG Hub.

Meetings were also conducted with various officials from South Australia's Department of State Development (DSD) and Department of Environment and Water (DEW) as part of the Company's planning for the shortlisting of sites for the EPG Hub. Potential sites must meet the minimum criteria of:

- Physically located within a port facility of not more than 50km from the Uley mine site
- Ready access to energy, power and water infrastructure
- Capable of storing and handling a minimum of two months inventory of Uley production
- Capable of housing a multi-function manufacturing facility for the production of Sunlands Energy Co.'s thermal energy storage cells (TES Graphite Cells)

DSD and DEW were provided with detailed data including a basic layout of the necessary EPG Hub facilities (see Figure 2) and the parties are working together to develop a shortlist of viable sites.

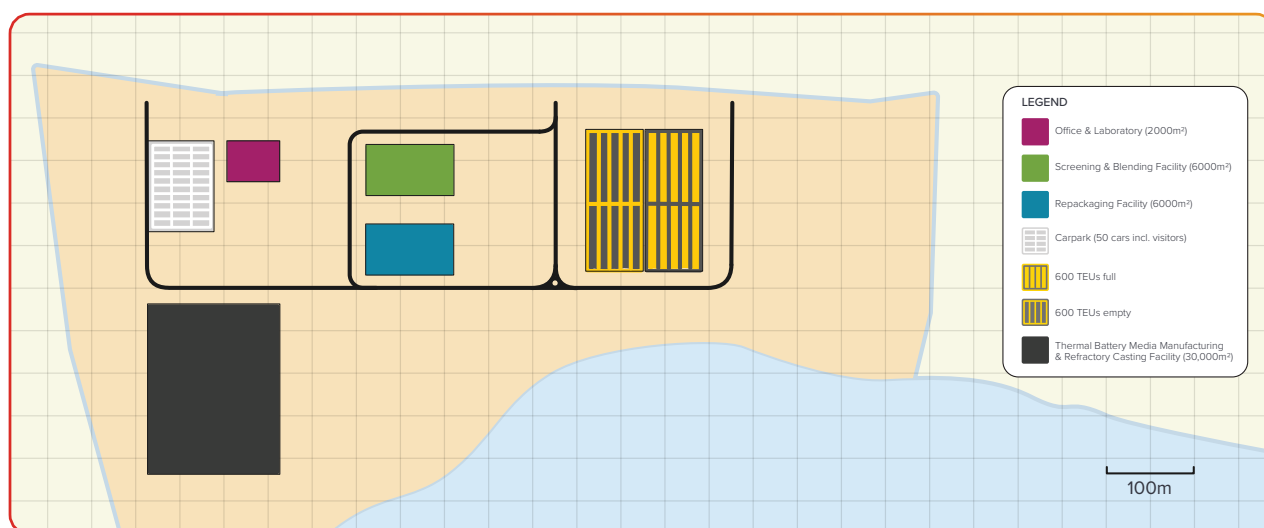


Figure 2: Proposed EPG Hub Facilities

Uley 2 Project Financing

During the period, three additional investment funds sought and were granted access to the Company's data room. Two of the funds are major investors in the Li-ion battery supply chain with a strategic interest in developing a secure independent supply of flake graphite concentrate to feed major graphite purification facilities. Confidentiality arrangements have been settled with the parties and the initial tranche of due diligence materials have been made available.

US EXIM Bank due diligence continues with additional materials requested during the period. Sal Catalano met with US EXIM Bank officials in Washington in April and June in connection with these requests and the Company's due diligence team is preparing the materials for delivery this quarter.

Exploration Activities

The Company's comprehensive geological data analysis project nears conclusion and detailed results will be available in the next quarter. In September 2023 the Company's geology team commenced an in-depth review of all tenements data as part of the implementation of the Company's Uley Region and District Exploration Plan (Plan).

Uley Graphite Purification Data

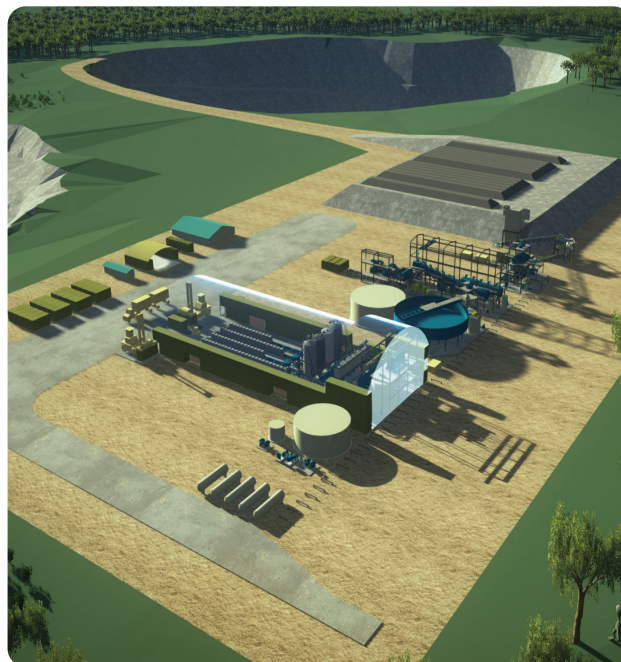
During the period the Company received results from various prospective customers that had completed purification testwork on Uley flake. All testwork conducted was a form of acid leaching treatment designed to deliver very high purity flake essential for high tech industries and Li-ion anode precursor material. Some of these results and the underlying data supporting the results are not subject to confidentiality arrangements and have been made available to the Company. This data is being reviewed by the Company and will be released by the end of August 2025.



Uley 2 Phase 1 Mining Study and Feasibility Summary Financial Metrics (updated)

Total undiscounted cash flow	A\$990.4 million ¹
Crusher feed	1,200,00 tpa
Graphitic carbon grade	11.89%
Graphitic carbon recovery	84%
Concentrate purity	94% graphitic carbon
Capital expenditure	A\$152.7 million
Processing cost (PCAF)	A\$236.05 per tonne (inclusive of admin)
Mining cost (MCAF)	A\$2.5 per tonne milled at surface plus 5c for every 4m
Production	100,000 dmt per annum
Product Cost (Av LOM)	US\$401.14 dmt (inclusive of drying and bagging)
Product Price (Ex-works)	US\$1,225 dmt

¹Includes JORC 2012 Reserves and Resources



Schedule of JORC 2012 Minerals Reserves and Resources

JORC 2102 Mining Study and Ore Reserve Statement, November 2019²

	Classification	Tonnes (kt)	Total Graphitic Carbon (%)
Uley 2	Proved	811	11.66
Uley 2	Probable	3,191	11.95
	Total	4,003	11.89

JORC 2012 Mineral Resource Estimate, November 2021³

Uley 3	Inferred	900	6.6
	Uley 3 Total	900	6.6
Uley 2	Measured	800	15.6
	Indicated	4,200	10.4
	Inferred	1,300	10.5
	Uley 2 Total	6,300	11.1
Uley Project Total	TOTAL	7,200	10.5

²Released to the market on 1 December 2019

³Released to the market on 18 November 2021

Schedule of Tenements (ASX Listing Rule 5.3.3)

Tenement	Tenement Type	Interest	Changes during the Quarter
ML5561 ⁴	Mining Licence	100%	Nil
ML5562 ⁴	Mining Licence	100%	Nil
RL66 ⁵	Retention Licence	100%	Nil
RL67 ⁵	Retention Licence	100%	Nil
EL6224 ⁵	Exploration Licence	100%	Nil
EL7019 ⁵	Exploration Licence	100%	Granted 10 October 2024

⁴ Registered in the name of Quantum Graphite Operations Pty Ltd

⁵ Registered in the name of Quantum Graphite Explorations Pty Ltd

Uley Region Location and Resource Expansion Priorities

Priority 1 - Uley 2 Project Expansion

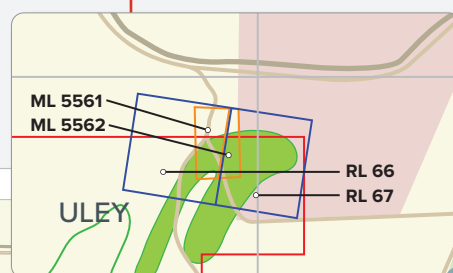
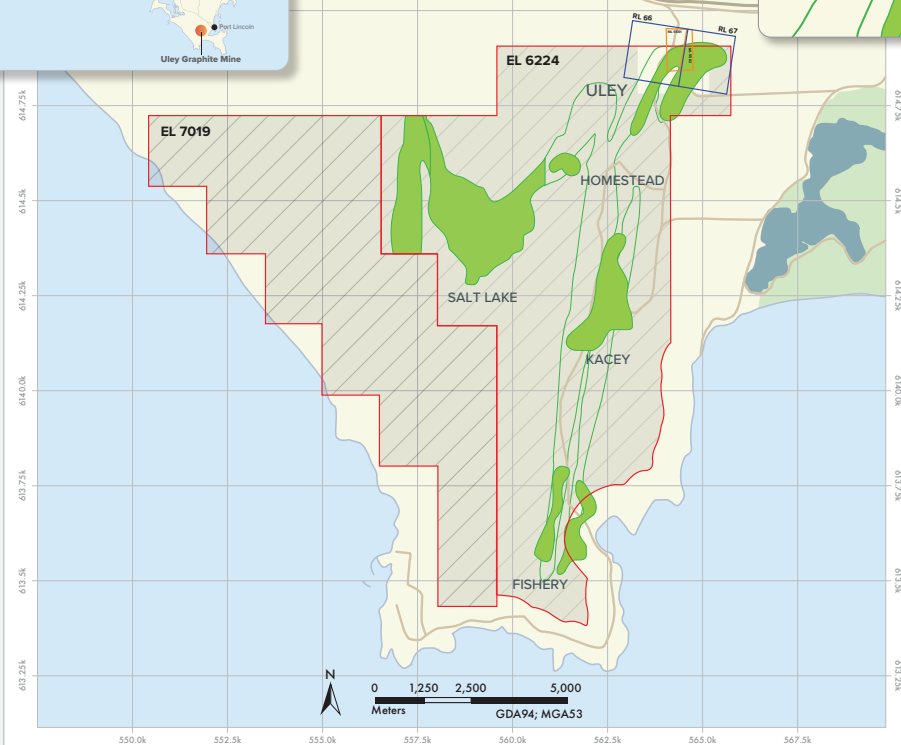
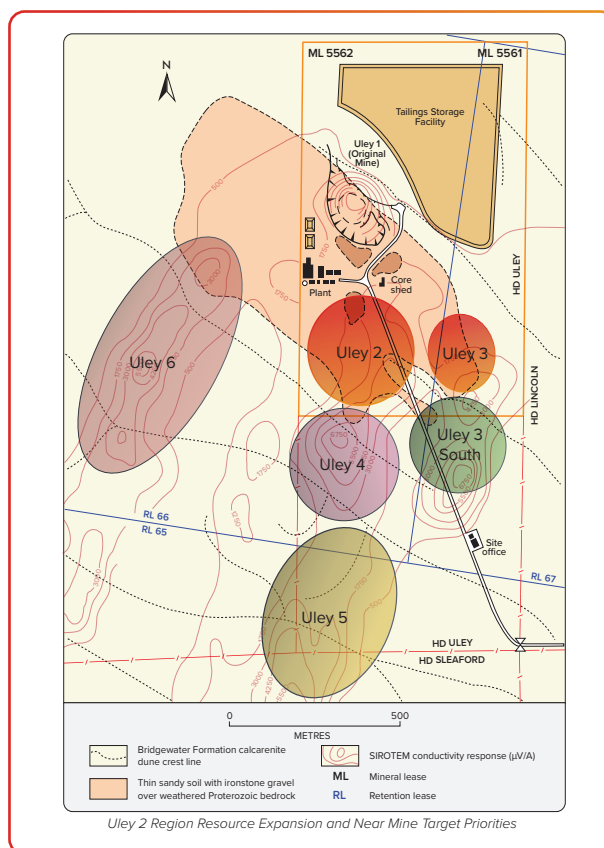
- Uley 4 Extension drilling to 50m-by-50m intervals
- Infill drilling at Uley 3

Priority 2 - Uley 2 Project Expansion

- Uley 3 South Extension drilling to 50m-by-50m intervals

Priority 3 - Uley Region Resource Definition

- Uley 6 geophysical anomaly target
- Uley 5 beyond Uley 4 along strike of the geophysical anomaly.



LEGEND

EM Target

Primary EM Target

Secondary EM Target

Exploration Lease

Retention Lease

Mining Lease

Corporate Information and Announcements

As at 30 June 2025 the Company had 350,008,387 ordinary shares on issue and 1,610 shareholders. The top 20 shareholders held 62.25% of the issued ordinary shares in the Company. As at 30 June 2025 the Company held cash at bank of \$1,583,574.74. As at 31 July 2025 the Company held cash at bank of \$1,292,771.44. Related party payments in the amount of \$429,000 were made in the period. These payments were made to SC Capital Pty Ltd (\$82,500 for technical services), Chimaera Capital Limited (\$255,000 for asset management services) and WyerPlanVC Pty Ltd (\$66,000 for consulting services).

Competent Person's Statement

The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters relating to Mineral Resources is based on, and fairly represent, the Mineral Resources and information and supporting documentation extracted from the reports prepared by a competent person in compliance with the JORC Code (2012 edition) and released to the ASX (including under the company's previous code, VXL on 17 December 2014, 5 May 2015 and 15 May 2015 respectively).

Forward Looking Statements

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management, that could cause QGL's actual results to differ materially from the results expressed or anticipated in these statements.

QGL cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. QGL does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law.

FOR FURTHER INFORMATION CONTACT:

Company Secretary
Quantum Graphite Limited
E: info@qgraphite.com



ABOUT SUNLANDS POWER

Sunlands Power is our joint venture with Sunlands Energy Co. for the manufacture of coarse natural flake based thermal storage media and the manufacture of TES Graphite Cells. The flake for the storage media will be sourced exclusively from the QGL's Uley mine. The manufactured media will be fitted within TES Graphite Cells and the completed cells delivered to Sunlands Co. for deployment as a grid connected long duration energy storage solution. For further information, www.sunlandscsco.com



ABOUT SUNLANDS PURE

Sunlands Pure is Quantum Graphite Limited's (QGL) purification technology partner. It was established by the Sunlands Energy Co. following agreement with QGL for the specific purpose of undertaking all downstream purification of Eastern Eyre Peninsula flake graphite concentrate

ABOUT LDES

A scalable energy storage system that can store energy predominantly from renewable sources for more than 12 hours and deliver dispatchable, inertia restoring energy to grid networks as required especially when renewables generation is not available. LDES is the critical solution underpinning the decarbonisation of grid networks.



ABOUT PROTHERM

Protherm Systems, founded in July 1987, is a leading thermal process engineering company, based in South Africa. The Company designs and supplies a wide range of thermal and related thermal processing plant and equipment for industrial users world wide, such as Plate Heat Exchangers, Shell and Tube Heat Exchangers, Air Dryers and Evaporators.



ABOUT INEMET

The Institute for Non-Ferrous Metallurgy and High Purity Materials focuses on sustainable and innovative processes that rethink existing production processes and the handling of supposed waste products in the spirit of the circular economy and zero waste thinking. INEMET's dedicated team work toward a greener future and the revolutionizing of non-ferrous metallurgy. It develops existing processes within pyrometallurgy, hydrometallurgy and the semiconductor industry in working groups and in a variety of projects. <https://tu-freiberg.de/en/fakult5/inemet>

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Quantum Graphite Limited

ABN

41 008 101 979

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(99)	(207)
	(c) production	-	-
	(d) staff costs	(75)	(307)
	(e) administration and corporate costs	(861)	(2,759)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	511
1.8	Other (provide details if material)	-	1,048
1.9	Net cash from / (used in) operating activities	(1,035)	(1,714)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(46)	(189)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(46)	(189)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	550
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	2,050

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,664	1,436
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,035)	(1,714)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(46)	(189)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,050

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,583	1,583

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	-	-
5.2	Call deposits	1,583	2,251
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,583	2,251

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000	Year to Date \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(429)	(1,079)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	6,188	6,188
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	6,188	6,188
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	The finance facility was provided by Chimaera Capital Limited at an interest rate of 11.75%, the maturity date has been extended to the earlier of 1 October 2026 or the date of any capital raising being undertaken by the Company.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,035)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(46)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,081)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,583
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,583
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.46
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: No. The Company has the capacity to reduce or defer cash outflows whilst maintaining its key operating activities.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Yes. The Company plans to raise further capital by way of the issue of additional equity. The Company expects to be successful in the raising of equity capital.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The Company's operations will continue on substantially the same basis as recent quarters subject to the ongoing review, and if necessary, reduction or deferral, of non-essential cash outflows.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:



Authorised by: Rochelle J Pattison
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.