

ASX Announcement / Media Release

13 January 2025

Syrah awarded ~US\$165 million US Inflation Reduction Act tax credit for Vidalia expansion

Highlights

- ~US\$165 million US Inflation Reduction Act Section 48C tax credit awarded to Syrah
- 48C tax credit will support the potential further expansion of the Vidalia AAM facility in Louisiana, USA to a 45ktpa AAM production capacity.

Syrah Resources Limited (ASX:SYR) (“Syrah” or “Company”) announces its wholly owned subsidiary Syrah Technologies LLC (“Syrah Technologies”) was awarded a tax credit of approximately US\$165 million by the US Internal Revenue Service (“IRS”) under the US Inflation Reduction Act’s (“IRA”) Section 48C Qualifying Advanced Energy Project Tax Credit Program (“48C Tax Credit”). The 48C Tax Credit will support the potential expansion of the Vidalia active anode material (“AAM”) facility in Louisiana, USA to a 45ktpa AAM production capacity (“Vidalia Further Expansion”).

The 48C tax credit program, managed by the IRS with assistance from US Department of Energy (“DOE”) Office of Manufacturing & Energy Supply Chains, was originally established by the American Recovery and Reinvestment Act of 2009, and subsequently expanded by US\$10 billion under the IRA. The 48C tax credit program seeks to fund critical projects that, amongst other objectives, expands US critical materials processing and refining capacity and is aligned with the economic and energy security goals of the IRA.

Syrah Technologies was selected for the 48C Tax Credit from more than 350 applications for the second US\$6 billion round of the 48C tax credit program under the IRA and based on DOE’s recommendation.

Under the IRA, the 48C Tax Credit can be monetised for cash through its transfer, in part or whole, to a third-party US federal taxpayer and/or utilised to offset federal corporate income tax liabilities of Syrah Technologies. To claim the 48C Tax Credit, Syrah Technologies must satisfy certain requirements set forth in Section 48C of the Internal Revenue Code including meeting prevailing wage and apprenticeship requirements, satisfying certain certification requirements associated with the 45ktpa AAM Vidalia facility within a two-year period, and placing the 45ktpa AAM Vidalia facility into service within the two-year period following such certification.

Whilst focussing on cost management, Syrah is progressing transition engineering, permitting and other long-lead procurement activities for the Vidalia Further Expansion project ahead of a final investment decision (“FID”) to be considered by the Syrah Board. Commercial AAM sales from the 11.25ktpa AAM Vidalia facility and significant customer commitments are vital for the Company to finalise project financing and will determine FID timing. Detailed engineering, long-lead items and other procurement, and construction activities will follow a Syrah Board approved FID sequentially.

US Department of Treasury’s media release on the allocation of Section 48C tax credits is on its website (<https://home.treasury.gov/news/press-releases/jy2779>).

This release was authorised on behalf of the Syrah Board by

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About Syrah

Syrah (ASX code: SYR) is an Australian Securities Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Active Anode Material Facility in the United States. Syrah's vision is to be the world's leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial markets.

Forward Looking Statement

This document contains certain forward looking statements. The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan", "targets" and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward looking statements. Forward looking statements, opinions and estimates provided in this document are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This document contains such statements that are subject to risk factors associated with the mineral and resources exploration, development and production industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: dependence on commodity prices, availability of funding, impact of inflation on costs, exploration risks, including the risks of obtaining necessary licences and diminishing quantities or grades of reserves, risks associated with remoteness, environmental regulation risk, currency and exchange rate risk, political risk, war and terrorism and global economic conditions, as well as earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward looking statements in this document will actually occur. Actual results, performance or achievement may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. The forward looking statements in this document speak only as of the date of this document. Subject to any continuing obligations under applicable law or any relevant ASX listing rules, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward looking statements in this document to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this document will under any circumstances create an implication that there has been no change in the affairs of Syrah since the date of this document. About Syrah Resources Syrah Resources (ASX code: SYR) is an Australian Securities Exchange listed industrial minerals and technology company with its flagship Balama Graphite Operation in Mozambique and a downstream Active Anode Material Facility in the United States. Syrah's vision is to be the world's leading supplier of superior quality graphite and anode material products, working closely with customers and the supply chain to add value in battery and industrial markets.