

Global Assessment Confirms HFfree Process Competitiveness

EcoGraf Limited (“EcoGraf” or “the Company”) (ASX: EGR; FSE: FMK) is pleased to provide the results which confirms its cost competitiveness for its patented HFfree process technology, a key step in the production of high-purity active anode material for the lithium-ion battery market.

Key Highlights

- Seven potential locations assessed across major global battery manufacturing hubs
- EcoGraf HFfree® process demonstrates strong cost competitiveness across all jurisdictions
- Average purification operating cost of approximately US\$478/t spherical purified graphite (“SPG”)
- Integrated supply chain delivers an estimated cost of approximately US\$1,441/t¹, positioning EcoGraf as a competitive alternative to Chinese supply (refer Table 1)
- Strong customer and partner interest in global, non-Chinese graphite supply chains
- EcoGraf has secured and is progressing grant funding totalling €6.2 million (A\$10 million) to support development activities

Competitive Cost Position of HFfree Process

This assessment has included mechanical shaping and the downstream process, providing an integrated supply for the global manufacturing hubs. The graph shows the results based an initial assessment of seven potential locations for a 25,000tpa purification facility, including sites in Asia, Europe and U.S., following the announcement in November last year regarding the Company’s strategy of developing its commercial scale HFfree process facilities².

The assessment confirms the technical robustness and economic competitiveness of the EcoGraf HFfree® process across diverse cost environments. This flexibility supports EcoGraf’s strategy to establish HFfree process capacity close to key battery manufacturing hubs.

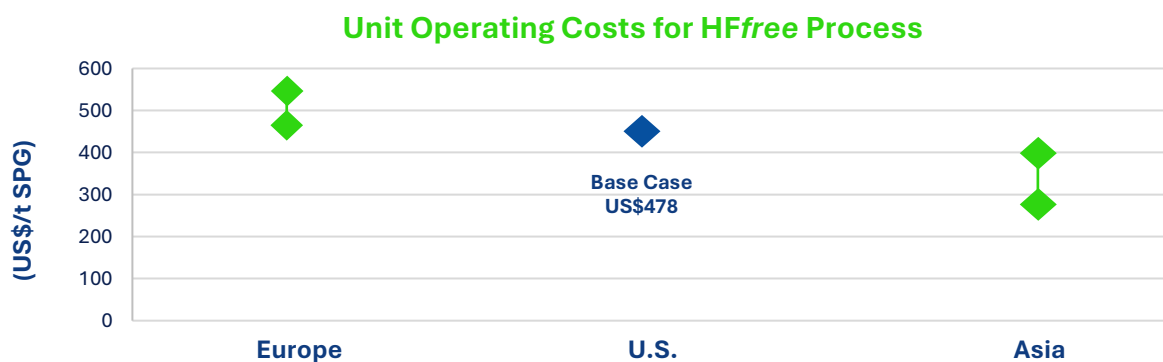


Figure 1: Potential Locations for 25,000tpa EcoGraf HFfree® Production Facility

¹ Based on a U.S. location and excludes the potential impacts associated with possible future ownership structures, transfer pricing (between Mechanical Shaping vs Purification operations), royalties, taxes, shipping, freight and final location of the facilities.

² Refer ASX announcement dated 12 November 2025 titled “Epanko Expansion Supports EcoGraf HFfree® Downstream Facilities”

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Importantly, the EcoGraf Downstream business model delivers compelling financial returns. A representative 25,000tpa development in the United States (“**U.S.**”) was estimated to generate the following³, and the Company is updating the full economics of its integrated business with the Upstream and Midstream.

Initial capital investment (including contingency)	US\$95m
Pre-tax NPV _{10%}	US\$282m
Pre-tax IRR	42%
Annual EBITDA	US\$42m

EcoGraf’s vertically integrated supply chain underpins a competitive cost position for battery anode material production, combining low-cost upstream feedstock from Tanzania, efficient mechanical shaping and the Company’s EcoGraf HFfree[®] process technology.

Table 1 shows the integrated cost structure comprising feedstock, shaping and HFfree process inputs. This integrated model underscores the strength of EcoGraf’s approach in delivering a globally competitive supply of high-purity spherical graphite.

	EcoGraf HFfree[®]
Feedstock Cost	\$544 ⁴
Mechanical Shaping Cost	\$419 ⁵
HFfree Process Cost – base case	\$478 ²
Estimated Cost (US\$/t)	\$1,441¹

Table 1: EcoGraf HFfree[®] Vertically Integrated Supply Chain Cost

Within this framework, HFfree process is the primary variable cost component across locations. The Company’s global assessment demonstrates competitive process operating costs ranging from approximately US\$359/t to US\$571/t SPG, with a base case of ~US\$478/t.

Cost variation is driven by local factors including energy, labour, reagent supply and infrastructure, while Upstream and Midstream shaping costs remain consistent given their location in Tanzania. Lower cost locations such as Asia benefit from favourable operating conditions, whereas Europe and North America reflect higher input costs but offer strategic proximity to key emerging markets.

EcoGraf’s location strategy therefore balances cost with market access, supply chain security and customer requirements for localised production, with development options under consideration across U.S., Europe and Asia-Pacific, as well as hybrid configurations to optimise overall delivered cost.

³ Refer ASX announcement dated 13 August 2025 titled “HFfree Delivers Industry-Leading Low Cost and Stage 1 NPV of US\$282m (A\$433m)”

⁴ Refer ASX announcement dated 25 February 2026 titled “Updated Epanko Bankable Feasibility Study”

⁵ Refer ASX announcement dated 24 March 2025 titled “Engineering Study Completed for Midstream Development”



Figure 2: EcoGraf Potential Project Locations & Global Markets

This flexible approach enables EcoGraf to optimise HFfree process location decisions while leveraging its low-cost Upstream and Midstream platform, supporting a scalable and globally competitive anode materials business aligned to growing ex-China demand.

Strategic Positioning Amid Changing Market Dynamics

Recent Chinese restrictions on the export of certain dual-use materials have intensified global focus on securing diversified, resilient and non-Chinese critical mineral supply chains.⁶

EcoGraf's strategy to establish HFfree process facilities in North America, Europe and Asia-Pacific region directly aligns with these structural market shifts, positioning the Company to meet growing demand for alternative sources of battery anode materials.

This global development strategy enables:

- Localised production of high-purity anode materials within major battery manufacturing hubs;
- Reduced supply chain risk and improved security of supply for customers;
- Delivery of a sustainable, HFfree processing alternative to conventional methods; and
- A cost-competitive supply solution, supporting increasing customer focus on affordability alongside sustainability.

Collectively, these advantages position EcoGraf to capitalise on accelerating global investment in independent and transparent battery supply chains.

Funding and Partnership Progress

The Company has submitted applications for government grant funding covering up to 60% of capital cost for proposed purification facilities in major battery manufacturing hubs across Europe and the U.S.

⁶ <https://www.reuters.com/world/asia-pacific/china-bans-exports-dual-use-items-military-purposes-japan-2026-01-06/>

In parallel, the Company continues to advance commercial discussions regarding potential partnerships to support project development.

Separately, EcoGraf has secured and is progressing grant funding totalling €6.2 million (A\$10 million)⁷ to support development activities, including:

- Up to €2.0 million (A\$3.2 million) approved by the European Investment Bank (EIB)⁸;
- €4.2 million (A\$6.8 million) progressing through advanced application stages, including the recent DEG Impulse initiative⁹.

Next Steps

EcoGraf will continue to:

- Advance site selection and development planning;
- Progress funding applications and approvals;
- Secure offtake and strategic partnerships; and
- Position itself as a leading supplier in emerging non-Chinese battery supply chains.

This announcement is authorised for release by Andrew Spinks, Managing Director.

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Forward looking statements

Various statements in this announcement constitute statements relating to intentions, future acts and events. Such statements are generally classified as “forward looking statements” and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. The Company gives no assurances that the anticipated results, performance or achievements expressed or implied in these forward-looking statements will be achieved.

Production targets and financial information compliance statement

Production targets and forecast financial information derived from the production targets, included in this announcement is extracted from previous market announcements dated 25 March 2025, 13 August 2025, 12 November 2025 and 25 February 2026. The production targets referred to in this announcement are based on the updated Bankable Feasibility Study released on 25 February 2026 titled “*Updated Bankable Feasibility Study*” and is based off Ore Reserves derived from Mineral Resources comprised of 43% Measured Resources and 57% Indicated Resources for a 22-year life of mine. No Inferred Resources have been included in the Ore Reserve and the production targets. Inferred Resources have only been mined incidentally with the Measured and Indicated Resources and treated as waste for scheduling purposes. In accordance with Listing Rule 5.19.2, the Company confirms that all material assumptions underpinning the production targets and forecast financial information derived from the production targets set out in the previous market announcements continue to apply and have not materially changed.

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⁷ EUR to AUD exchange rate as at 28 May 2026

⁸ Refer ASX announcement dated 11 February 2026 titled “EcoGraf Signs Co-Operation Agreement with EIB”

⁹ Refer ASX announcement dated 14 April 2026 titled “DEG Impulse Development Support”