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# Battery Minerals prepares to develop Montepuez graphite project

*With the \$20m over-subscribed capital raising now closed, the Company has appointed the lead design engineer, ordered the primary crusher and is about to recruit key personnel*

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## Highlights

- **Appointment of lead design engineers DRA and Minnovo to do the detailed design work on the process plant for Montepuez**
  - **Extensive recruitment campaign now underway to fill senior development roles**
  - **Order placed for primary crusher, which is already under construction and has a capacity of over 1.3 million tonnes a year**
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Battery Minerals Limited (ASX: BAT) is pleased to advise that it has taken a series of key steps in preparation for the development of its Montepuez Graphite Project in Mozambique, ensuring the project is on track for production late next year.

The Company has placed an order for a new primary crusher, which is already under construction and expected to arrive on site in March 2018. The primary crusher has a capacity of more than twice Montepuez' requirements, giving it ample ability to meet the Company's needs for the planned expansion in 2020. It will be delivered at a significant discount to quotes received as part of the Value Engineering Study completed in November 2017.

Battery Minerals has also appointed highly experienced lead design engineers DRA and Minnovo to complete the detailed design work on the process plant for Montepuez.

To help ensure the development of Montepuez can proceed as quickly as possible, Battery Minerals is also pleased to advise that it has initiated an extensive recruitment campaign. This will be aimed at identifying key development and technical personnel for roles in Perth and Mozambique.

The Montepuez Graphite Project development preparations follow the completion of Battery Minerals' highly successful capital raising in November 2017, in which the Company raised \$20 million in a heavily over-subscribed share placement.

Battery Minerals Executive Chairman David Flanagan said the demand for the capital raising reflected the financial strengths of Montepuez.

"We have now secured a primary crusher with capacity of more than twice Montepuez' requirements, and sufficient for our planned expansion, but with no increase in forecast operating costs," Mr Flanagan said.

"The lower than expected cost of the crusher augurs well for the Company's ability to build the project within the budget estimated in the Value Engineering Study.

“The low capital cost of just US\$42.3m and the short lead time of just 13 months to production has seen the Company and the project win strong support from investors.

“As the Value Engineering Study showed, Montepuez will generate outstanding returns, including low quartile operating costs of US\$337/t and a payback period of less than 2 years.”

### **Aggressive Work Programme Underway**

As previously announced, Battery Minerals has commenced a significant work programme at both its Montepuez and Balama graphite projects in Mozambique. At Montepuez, the Company is completing detailed grade control drilling to underpin daily mining plans ahead of the grant of the Mining Licence, which is expected in December 2017. Final approvals are due in the March Quarter 2018 to facilitate the scheduled start of construction in April 2018. The Company remains on track to commence mine commissioning in the December Quarter, 2018 with first graphite concentrate exports scheduled for the March Quarter, 2019.

In addition, the Company is working to fast-track the completion of a Feasibility Study at its Balama Central Project (“Balama”). A recent Concept Study completed on Balama highlighted its high grade nature and strong fundamentals, which suggest its potential to, in time, become a world-leading graphite mine. Given the promise shown by Balama, the Company will complete the Balama FS in Q2 CY2018.

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