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## Battery Minerals Raises \$20 million to fast-track Montepuez and Balama graphite projects

*Placement heavily over-subscribed amid strong demand from Australian and overseas institutions*

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### Highlights

- Battery Minerals has received commitments for \$20m via a \$19.5m share placement at 6c and \$500,000 via a drilling-for-equity arrangement
  - Placement was strongly supported by Battery's largest shareholder, which has maintained its ~12.6% interest in the Company, and institutions
  - The Company is now fully-funded for its next phase of growth, including:
    - Significant drilling programme underway at Montepuez, with results due shortly
    - Planning and early development works at Montepuez
    - Accelerate DFS at Battery Mineral's Balama graphite project
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Battery Minerals Limited (ASX:BAT) ("Battery Minerals" or the "Company") is pleased to announce that it has received commitments from institutional, sophisticated and professional investors to raise \$20 million ("Capital Raising").

Battery Minerals Executive Chairman David Flanagan said: "This capital raising is a key milestone in the Company's strategy to become a graphite supplier to the lithium battery industry. The overwhelming support we have received from investors around the world reflects the quality of our project and its outstanding potential to tap into the lithium battery market.

"We have received a huge response to our strategy to develop a project with low capital costs, limited funding requirements and a short lead-time to production. This approach will enable us to maximise financial returns and minimise risks and time delays, enabling us to capitalise on the huge opportunity unfolding in the energy sector as quickly and efficiently as possible."

### Placement

The Capital Raising was very heavily oversubscribed and comprises of \$19.5 million by way of placement ("Placement") and \$500,000 in commitments under a drilling-for-equity arrangement.

Under the Placement, BAT will issue approximately 325 million shares at 6c per share ("New Share") in two tranches to professional, institutional and sophisticated investors. Each New Share will be issued with one free option which will be exercisable at 10c on or before 31 July 2018 ("Option").

New Shares issued pursuant to the Placement will rank equally with existing shares on issue. Approximately 102 million New Shares will be issued in the first tranche under the Company's placement capacity pursuant to ASX Listing Rules 7.1 (59,403,081 ordinary shares from Listing Rule 7.1 capacity) and ASX Listing Rule 7.1A (42,562,249 ordinary shares from Listing Rule 7.1A capacity),

and the balance of New Shares and all Options will be issued subject to shareholder approval at a meeting of BAT shareholders indicatively scheduled for early January 2018.

Hartleys Limited and Morgans Corporate Limited acted as Joint Lead Managers to the Placement.

### **Drilling-for-Equity**

BAT has received commitments from its drilling contractor, Mitchell Group Holdings Pty Ltd (“Mitchells”) to provide drilling services in return for equity, on the same terms as the Placement. The Company considers this a significant vote of confidence and is grateful for the continuing support provided by Mitchells.

### **Aggressive Work Programme Underway**

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 lease, which is expected later this year, 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 Definitive Feasibility Study (“DFS”) 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 DFS in mid-2018.

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**Forward Looking Statements**

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