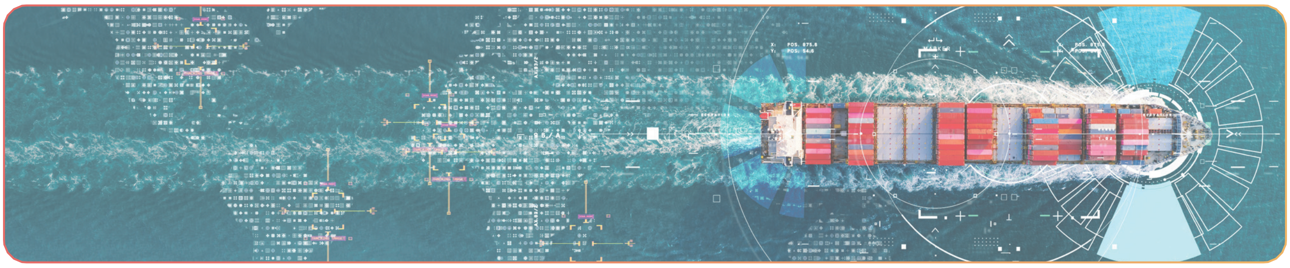
MEDIA RELEASE
For Immediate Release
12 June 2026

ORE SUPPLY AGREEMENT CONCLUDED WITH SUNLANDS PURE GROUP

CONSOLIDATION OF DOWNSTREAM BUSINESSES

HIGHLIGHTS

- Company concludes a binding Ore Supply Agreement (OSA) with the Sunlands Pure Group (SPG) for the consolidation of all downstream processing and refining activities within SPG
- Under the OSA, SPG will be the exclusive offtaker of all QGL Uley Mines (including Uley 2) mineral production subject to QGL delivering:
  - Minimum monthly mineral production sufficient for SPG to generate annual refined production of 100ktpa; and
  - Within 7 years of first production, achieving maximum mineral production sufficient for SPG to generate an annual refined production of 500ktpa over the balance of the term of the offtake
- The initial term of the offtake will be 20 years with an option for a further term of 20 years
- The OSA requires that QGL maintain a minimum rolling JORC 2012 Ore Reserve of 3 years' mineral production
- The offtake price will be governed by a cost-plus model and subject to a minimum price that delivers QGL a margin equivalent to approximately A$375* per tonne of SPG concentrate production
- The SPG downstream structure comprises the production of:
  - Concentrate from the new processing facility near the Uley 2 mine site on the Southern Eyre Peninsula; and
  - Purified graphite from the refinery to be constructed at Al Buraimi in northern Oman
- The OSA compels the parties to finalise a further agreement, i.e., a site management agreement (SMA) which will govern site use and management, and the mechanics of ore supply



*At the applicable USD exchange rate of 0.64

ABOUT QUANTUM GRAPHITE LIMITED

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, quantumgraphite.com

ABOUT SUNLANDS PURE GROUP

Sunlands Pure Group is the refining technology partner of Quantum Graphite Limited, the Australian Securities Exchange listed owner and operator of the century old Uley natural flake graphite mine located on the Eyre Peninsula in South Australia. The Sunlands Pure Group technologies are uniquely capable of purifying natural flake graphite to a purity of 99.9% graphitic carbon and delivering this critical material to key markets including manufacturers in the Li-ion battery anode, isostatic graphite and thermal energy storage market segments

Background

The Company is pleased to announce that the Board has reached agreement with SPG for the consolidation of the downstream flake graphite processing and refining activities.

As disclosed in earlier releases, the Board has been engaged in an exhaustive review of the appropriate structure to undertake the downstream processing and refining activities. Its decision to consolidate these activities under the OSA with SPG is driven by four key considerations:

- the production pathway that delivers refined production at a cost and scale that matches the Company's forecast growth for natural graphite-based anodes and thermal energy storage media;
- the mineral development and production plan capable of responding aggressively to this growth;
- the corporate structure that offers both the mineral development and the downstream businesses, the speed and superior access to capital markets; and
- the commercial structure that enables the parties to maintain control over the end-to-end purified graphite supply chain.

SPG Downstream Structure

Under the OSA, QGL will supply mineral production to SPG's processing facility near the Uley 2 mine site at the minimum rate of 85kt per month. This supply will generate approximately 9k tonnes per month of flake concentrate (graphite purity of 96%), equivalent to more than 100ktpa.

The Uley Mines area, the subject of the OSA, including Uley 1 and Uley 2 in the background

The concentrate is then exported to SPG's Al Buraimi refinery where it will be treated with hydrofluoric acid (HF) to produce flake graphite with a purity of 99.99%. At the minimum plant throughput, the Al Buraimi refinery will produce at least 100ktpa of purified flake.

The refinery will adopt the process pathway developed by SPG, i.e., a modified HF leaching process optimised to:

- Specifically treat the flake graphite metallurgy of the Southern Eyre Peninsula;
- Deliver very large-scale production within a modular (expandable) plant format; and
- Undertake a complete site-based waste solution that neutralises the waste stream and ensures its safe return to the environment.

On 13 March 2026 SPG executed a Memorandum of Understanding (MOU) with the Governorate of Al Buraimi. The MOU codifies ongoing governorate support for the downstream project and provides a pathway for the expedited development of the refinery, to be constructed approximately 60 kilometres from Sohar Port, Oman's principal commercial port. The Al Buraimi Refinery has been recognised as a significant national project.

Managing Director Sal Catalano, Sunlands Pure Group Director Nasser Al Naaimi and Chairman Bruno Ruggiero at the Al Buraimi Refinery site

Legal Framework - Ore Supply Agreement (OSA) and Site Management Agreement (SMA)

The parties' legal framework for the downstream structure comprises two key agreements, the OSA and the SMA.

The OSA has been concluded and covers the essential economics of the offtake, i.e., term, quantities and pricing. In addition, it contains the provisions governing the parties' exclusive relationship.

The Company is exclusively bound to supply SPG from its Uley mines and SPG is exclusively bound to process and refine the Company's Uley mines mineral production. SPG is permitted to refine concentrate from other Southern Eyre Peninsula flake concentrate producers if this does not detrimentally impact its obligations to the Company. Specifically, the refining of concentrate of other producers cannot displace the quantities that SPG is committed to process and/or refine from the Company's mineral production.

The OSA pricing is determined under a cost-plus model and the initial price is deemed to be the minimum or floor price. Pricing is reviewed annually but reviews cannot have the effect of reducing the floor price.

The Company's obligation to deliver the maximum monthly production of 485kt (equivalent to 500ktpa of purified flake) within 7 years of first production by SPG is subject to:

- The Company securing all relevant Australian Federal and South Australian approvals; and
- SPG completing the construction of the Sunlands Eyre Peninsula Graphite Hub (EPG Hub).

The EPG Hub project as proposed by SPG and the Company received Commonwealth Major project status[1] in Q1, 2025 and is the essential infrastructure supporting the parties' global logistics plan.

The second agreement, the SMA, is currently being negotiated between the parties. It will govern site use and management, the mechanics of ore supply and logistics. These matters are generally divided into two areas:

- Parties' shared use of the Uley mines site - the development and ongoing management of infrastructure, waste management (including tailings storage facilities) and remediation activities; and
- Mechanics of ore supply – the rate of mining activities and run-of-mine management.

The parties acknowledge that the SMA is being negotiated explicitly for the Uley 2 project. Any expansion of the project or development of further Uley mines will trigger mutual rights to renegotiate the SMA.

A further announcement will be made once the SMA is finalised by the parties.

[1]https://www.industry.gov.au/news/new-major-projects-will-help-achieve-net-zero-2050

The Company's decision to proceed with the downstream structure marks another significant milestone. The structure achieves the scale and cost efficiencies critical to meeting the expected market challenges. Creating discrete development pathways for each of the mining and the processing/refining enterprises unlocks expansion options for each that are not otherwise available if all the operations and activities were combined.

Each enterprise offers capital providers the simpler more direct risk profile of a single core activity more easily matched with readily available funding options.

Managing Director Sal Catalano commented that, "maintaining control over our end-to-end flake graphite supply chain is the critical priority. The EPG Hub and the partnership with SPG underpins the commercial scalability we need to meet the demands of the market. For both anodes and thermal storage, a strategy of small-scale flake production or narrow vertical integration strategy does not meet the supply challenges facing downstream anode cell and thermal energy storage manufacturers. The OSA cements QGL's position as the exclusive feedstock partner for the largest flake graphite supply chain being developed in the western hemisphere."

Chairman Bruno Ruggiero added that, "the Board is committed to QGL's long-term sustainable development path. A supply chain solution that includes the consolidation of the downstream businesses within SPG delivers QGL an additional layer of resilience and the capability to build scale within a more efficient capital structure. For shareholders the tangible benefit is real growth without the penalty of significant dilution."

FOR MORE INFORMATION PLEASE CONTACT:

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Forward-Looking Statements

This announcement contains forward-looking statements. These statements are based on current expectations and assumptions and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future performance and no reliance should be placed on them. The Company undertakes no obligation to update or revise forward-looking statements, except as required by applicable laws and the ASX Listing Rules.