

1 May 2018

## **ASX Announcement March 2018 Quarterly Activities Report**

Lanka Graphite Limited (ASX: LGR, "Lanka", "the Company") is pleased to report on activities for the period to 31 March 2018.

### **Highlights**

- **LGR Strategic Partner National Taiwan University has developed a Micro-patterned graphene-based sensing skins for human physiological monitoring using Lanka's high grade vein graphite**
- **Completion of placement raising \$220,000 in Feb 2018 for working capital**
- **Appointment of Non-Executive Director Barry Pang. Company engaged Barry as Corporate Advisor to facilitate a capital raising**
- **Lanka is planning for a capital raising to expedite its Artisanal Mining operations.**
- **Funds raised will be used for purchase of equipment, setting up of mine, and building a storage warehouse**
- **Lanka is targeting to be in productions by the end of 2018 with the Artisanal status**
- **Lanka has applied for its second AML at EL236 at Western Sri Lanka**

### **Operations**

#### **Artisanal Mining Activities**

Initial ground works at our first Artisanal Mining site EL307 is progressing. The Company is currently engaging local consultants to evaluate and secure the safety and structure of the abandon mine located on site. The Company is planning capital raising to expedite its Artisanal Mining operations. Funds raised will be used for exploration and drilling program for the next 24 months, purchase machine, tools and equipment, and to build a mine and storage warehouse. Detailed geophysical study followed by core drilling at our artisanal mining sites will be ongoing to better define our graphite reserves and production capacity.

The Company is pleased to announce that it has applied for its second Artisanal Mining License by GSMB at EL236 located at Kalutara district of Western Province. According to the locals at EL236, there are a considerable number of pits and mines that were operational prior to world war around the area. Two major abandoned graphite mine fields were identified within the surveyed area around Malaboda-Puhambugoda area and Ridiwita area.

#### **G3 Strategic Partnership**

During the Quarter the Company shipped its first 100kg sample to Global Graphene Group (G3) for their pilot test run. G3 and Lanka has since progressed its strategic collaboration by signing a non-binding Letter of Intent to supply vein graphite to G3 in 2018.

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## Graphene Research Update

During the quarter the Company was pleased to report a further milestone achievement in its Material strategic collaboration with National Taiwan University of Science and Technology (NTUST). High grade vein graphite samples supplied from Lanka's tenements was able to produce an ultrathin, flexible, conformal, and skin-like electronic transducers. The micro-patterned graphene based sensors are a wearable sensing membrane developed by patterning a graphene-based solution onto ultrathin medical tapes, which can then be attached to the skin for monitoring human physiological parameters and physical activity. Research results have indicated future potential for evaluating athletic performance, physical therapy, and designing next-generation human- machine interfaces.

## Corporate

### Appointment of Non-Executive Director

During the quarter, LGR announced the appointment of Barry Pang as a non-executive director. Barry is a Melbourne born successful businessman of Chinese descent. Barry is well known with a successful track record in the racing industry having won the 2013 Melbourne Cup with Fiorente. Barry has also built many successful businesses over a long career and raised substantial amounts of funding from Asian investors for Australian companies.

Barry is a Trustee of Scotch College Foundation, an Honorary President of the Lion's Club of Melbourne Sino-Innovation, the Vice-President of the Australian National Kung Fu Federation and the Honorary Patron of the Half the Sky Foundation Australia supporting orphans in China, mainly in the capacity of fund raising and brand building by using his valuable connections across a wide spectrum of industries.

Awarded with induction into the Hall of Fame for his contribution to martial arts and winning multiple Cups and Group 1s in thoroughbred racing over the past 40 years, Barry is a well sought after inspirational speaker, mentor and innovator.

### About Lanka Graphite

Lanka Graphite Limited (ASX:LGR) is an ASX listed graphite exploration company that is focused on exploration of a number of historic and new mining tenements in Central and South Western Sri Lanka. Historic mining at a number of the granted tenements produced very high grade 'lump' or vein style graphite with grades >95%C. High purity vein graphite was historically produced from Lanka's tenements at a grade that is also well suited to graphene derivation. Lanka Graphite will commence exploration of its granted tenements with the intention to develop high grade graphite production that can supply nearby Asian end user companies particularly focused on new technology graphene applications. The collaboration with G3 advances Lanka's corporate strategy to be a key distributor of high quality Graphene products in Australia and New Zealand. Lanka Graphite maintains the largest portfolio of identified high-grade vein graphite Exploration Licenses in Sri Lanka. At many of the EL's vein graphite outcrops at surface or has been historically mined at shallow depths.

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