



MARGOSA
GRAPHITE LIMITED

Sri Lanka
the only country
in the world

where

CRYSTALLINE VEIN
GRAPHITE
is commercially mined

Emerging Producer of
High-Grade Vein Graphite

The Pandemic Year.....

- ❑ Progress during 2020 and 2021 has been significantly impacted by the Covid 19 pandemic –
 - this has severely restricted activities for local operations in Sri Lanka.
 - The impacts have included the
 - inability of key management personnel to travel from their residential countries to Sri Lanka,
 - restriction of key personal in Sri Lanka from completing regional exploration activities as well as developing the Ridee Ganga Site,
 - restriction of management both in Sri Lanka and Australia from continuing the activities associated with the company's applications before the Sri Lankan government for investment, export and mining licenses.
- ❑ The Company has managed to successfully safeguard the health and wellbeing of our workforce during the COVID 19 global pandemic.



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20/21 Summary

Let's not forget the achievements.....

- ❑ Despite these limitations, Margosa has successfully advanced a number of key initiatives during the 2020 – 2021 calendar year that are aligned with developing the Ridee Ganga Project to production.
 - Successful completion of the Technical Feasibility Study for our Ridee Ganga Project located at Pathakada. The financial model output indicates a Pre-tax Net Present Value of USD 258.2 million at a 10% discount rate. The Pre-tax Internal Rate of Return is 70% and the payback period is 3.83 years;
 - Receiving Advanced Exploration and Restoration Plan ('AERP') approval from the Geological Survey and Mining Bureau for the development of a shaft at the Ridee Ganga Graphite Project;
 - Board Development - Appointment of Donald James to the Margosa Board. Donald brings key corporate and operational knowledge, skills and experience that is invaluable with assisting Margosa to navigate through, and deliver on its next phase of development;
 - Further testing of high priority targets with encouraging results by the in-country Exploration team within the Pathakada license, close to the Ridee Ganga deposit; and
 - Positive test results completed by Engineering with regards to redesign and simplifying the current flow sheet for the graphite recovery process.

Moving Forward.....

- ❑ Management recognise Margosa cannot achieve long-term sustainability without setting clear strategic objectives.
- Continuing to successfully safeguard the health and wellbeing of our workforce will always be at the forefront of the management team;
- Continue to drive the Mining License and Board of Investment Process, now from inside the country;
- Continue to make the relevant changes required to the Margosa Board of Directors to ensure we have the right composition to take the Company to the next phase of development;
- Advance the AERP shaft sink at the Ridee Ganga Graphite Project;
- Advance the infrastructure construction works at Ridee Ganga to support both the AERP and the future development and main mining activities;
- Advance the test works related to improvements in design criteria and product delineation;
- Further testing of high priority targets within the Company's tenement package; and
- Positioning the Company well for its next phase of growth, raising the required funding to support development, operations and exploration activities across the company tenements.



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Operational Activities

Return to Sri Lanka.....

■ Margosa Graphite Ltd is excited to announce that following the worldwide easing of COVID 19 restrictions, John Shackleton (Executive Chairman), Hamish Fraser (Exploration Manager), Murray Carpenter (Drilling Superintendent) and Chuck Bartle (Construction Manager) arrived back in Sri Lanka.

➤ Construction and development of the AERP shaft has commenced at site. These activities are being completed with the assistance of the Exploration team who are working in conjunction with the Construction Team.

➤ Servicing and rebuild of the MD600 drill rig has been completed by the Drill Superintendent and his team.



Thanks for your support.....

- The Margosa team is looking forward to what it hopes is an unrestricted work program next year to ensure that it delivers the required results for its stakeholders and shareholders.



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