

McIntosh Graphite Project

Large-scale high purity deposit in Western Australia



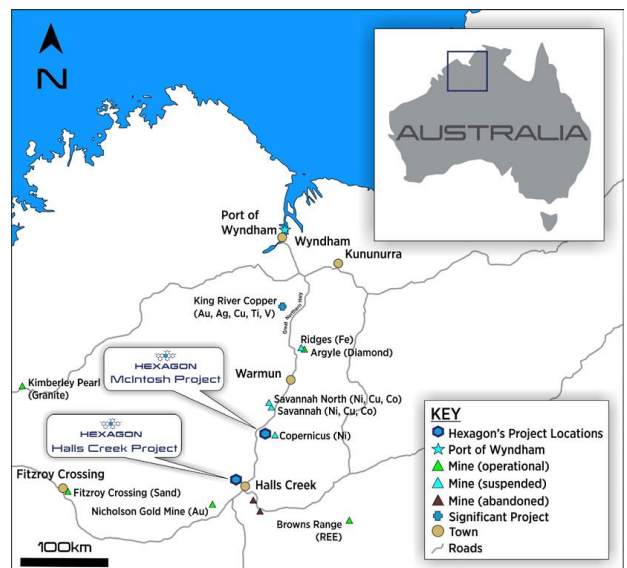
Key Project Attributes:

- PRODUCT** High value and low purification costs
- PURITY** High-purity - 99.9998 wt.% C “Five Nines” achieved
- PLACE** Project located in safe, stable mining-centric country
- PARTNER** JV with top tier mining company Mineral Resources (ASX: MIN)
- PLANNING** Stage 1 development underway



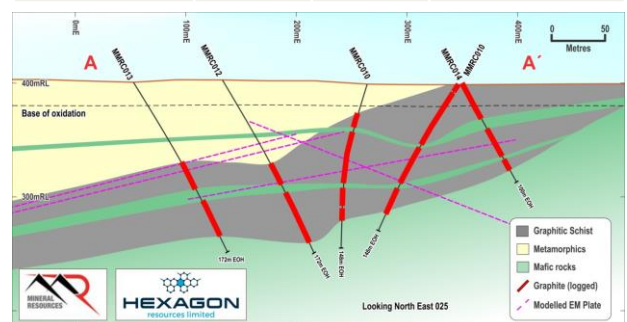
Stage 1 Development:

- Fully funded to commercial production
- Multi open pit mining, simple flotation at ~2.4Mtpa to produce ~100,000tpa of high-grade (97-98% TGC) graphite concentrate, likely across 3 flake sizes
- Mineral Resources (MRL) funding all feasibility, development and ramp-up costs to production to earn a 51% share (subject to positive Feasibility Study.)
- MRL to operate a life of mine Mining Services Agreement –a “pit to wharf” solution
- MRL to achieve production by 2021
- Feasibility Study in progress**
- 12,000 metre drilling program underway
- New targets found, at shallow depths
- Resource drilling indicates graphite at shallower levels - potential for improved economics



Stage 1 JORC Resource

JORC Classification	Tonnes (Mt)	TGC (%)	Contained Graphite (kt)
Total Indicated & Inferred	21.3	4.5%	964



Hexagon Resources (ASX:HGX) is developing the McIntosh Graphite Project with MRL. HXG is a vertically integrated graphite business, focussed on downstream opportunities in high-value markets.

McIntosh Graphite Project



Highly Marketable Attributes

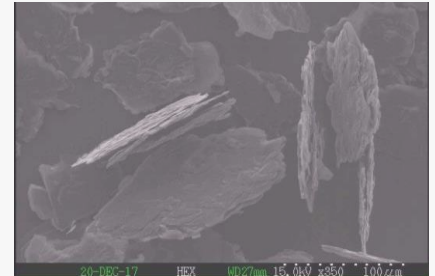
McIntosh flake graphite is a better performing, lower cost substitute to synthetic graphite.

Its exceptional downstream attributes and cost profile are suitable for premium energy storage, tech applications and traditional industrial uses.

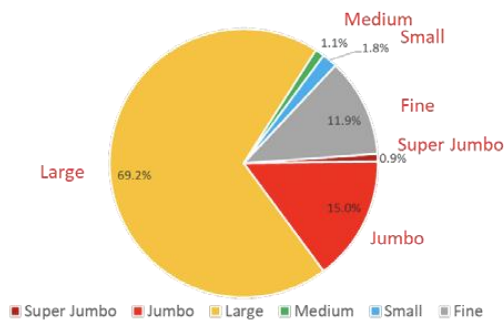
McIntosh graphite has the 4 key attributes that graphite buyers require – **Purity, Flake Size, HOPG and Expandable**

Purity

- **99.9998 wt.% C** was achieved by a proprietary thermal purification technique
- **Price premium:** *Five Nines* is the “nuclear purity world”
- **Low cost:** Requires only “light” purification
- **Low Environmental impact:** No HF acid leach, and less energy required



Flake Size Categories - HXGCon1

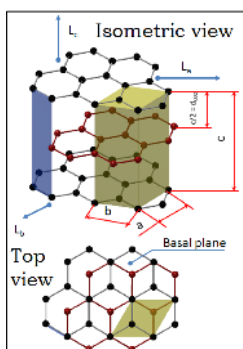
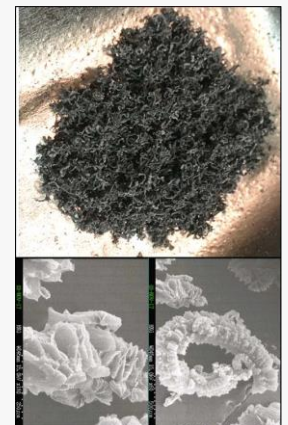


Flake Size

- **85%** of Flake in Concentrate sample is Large, Jumbo & Super Jumbo size (Emperor deposit)
- **70%** of the McIntosh Resource from Emperor & Wahoo deposits - Large/Jumbo flake size is dominant

Highly Crystalline (HOPG)

- **Highly Ordered Pyrolytic Graphite** – rare attribute
- Highly crystalline, near all-hexagonal preferred crystal orientation – *vital aspects to compete with premium quality synthetic graphite products.*
- Higher selling price.
- **High-cost, synthetic graphite producers aspire to reach these technical specifications.**
- **McIntosh Graphite** – can out-compete synthetic on price and quality



Expandable

- **220% Expansion Factor for + 60 Mesh Flake (+250um)**
- **Easy Expansion:** no exotic chemicals or complicated treatments translates to – Low Costs.
- **Strong demand** growth due to declining supply from China; and increased demand in electronics e.g. as conductivity enhancement material (CEM) in advanced alkaline, lithium and lithium-ion batteries.