

BOARD CHANGE

26 November 2021

Dear Shareholders

Margosa Graphite Limited ("Margosa" or the "Company") announces that Peter Venn has today advised the Board that he will retire and not seek re-election as a Director of the Company at the 29 November 2021 Annual General Meeting ("AGM") due to increased work commitments outside of Margosa.

Mr Venn was the Company's inaugural Managing Director between May 2017 and November 2018 and more recently has held the position of Technical Director at Margosa. Mr Venn has assisted the Margosa team in the delivery of a number of key achievements, inclusive of:

- Discovery and development of the Ridee Ganga Vein Graphite Project ("Ridee Ganga" or the "Project") – the world's highest grade JORC compliant graphite deposit.
- Completing a successful Pre-Feasibility Study, which highlighted the Project's compelling valuation metrics over an initial 15-year life of mine, and supported the Company's objective of becoming the world's first producer to provide a consistent and secure supply of superior and highly sought after and superior crystalline vein graphite to the global market
- Completing Sri Lanka's single largest Airborne Electromagnetic survey focused on defining the next generation of graphite deposits, that produced a new and exciting pipeline of drill ready future exploration and development opportunities.

Mr Venn said "I wish the Company every future success and am confident that the Ridee Ganga Project will form the basis for a strong future business model for its shareholders and the people of Sri Lanka for many years to come".

Executive Chairman Mr John Shackleton said "with retirement of Peter, the Board would like to take this opportunity to thank him for his assistance progressing the Company to this exciting stage of near-term development. Whilst we wish him all the very best in his future endeavours, Peter will be available over the ensuing period for consultation regarding any ongoing technical and promotional matters where his experience may assist."

Given the resignation of Mr Venn, Resolution 3 within the Company's AGM Notice of Meeting dated 28 October 2021 has been withdrawn from the agenda.

John Shackleton – Executive Chairman
On Behalf the Board of Directors
Margosa Graphite Ltd