RNS Number : 9616B
Total Graphite PLC
05 November 2026

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**Total Graphite plc**

('Total Graphite', 'TG' or the 'Company')

## Proposed Acquisition and £0.41m CLN Fundraise

Total Graphite PLC (TGR.L) is pleased to announce the successful fundraise of £0.41m through a convertible loan note ("CLN"), together with the potential acquisition of a cash generative graphite processing business based in Tanzania, as part of the Company's strategy to build the leading natural flake graphite company through multi-jurisdiction, operations and opportunities for vertical integration to produce value-added specialty graphite products.

The Company believes that Tanzania is going to be a critical supplier of graphite around the world and is becoming an increasingly popular source of raw material for industrial consumers of graphite. Additionally, Tanzania offers significantly better economics through access to electricity, roads and a higher feed grade. As a result, the Company has been keen to expand its portfolio to Tanzania with the aim of becoming the first company globally that can offer graphite from multiple self owned sources to best meet the needs to its customers. As a result, the Company is pleased to have made significant headway in this pursuit.

**Highlights – potential acquisition Tanzania Company ("TZC"):**

- Heads of Terms signed for acquisition of 100% of cash generating graphite reprocessing business in Tanzania
- TZC already operational with 12,000 Tonnes per annum plant and another 12,000 Plant under construction.
- Significant upside from development of existing permit areas in parallel with reprocessing
- TZC operational management to join the Company on completion
- Initial consideration of £1.88m to be settled through the issue of 188m shares at a price of 1p per share
- Deferred consideration contingent on future operating cashflows of up to £4.7m to be settled through the issue of up to 313,250,000 shares at 1.5p per share
- Subject to due diligence, definitive documentation, and shareholder approval, with general meeting targeted in December 2026

**Highlights - Convertible Loan Note:**

- Gross proceeds raised of £0.41m
- Convertible at 1p per share
- Half warrant attached exercisable at 1.5p per share
- 2 year life, bearing interest at 12% for year 1 and 15% for year 2
- Provides the necessary working capital for key workstreams to be completed in the near term

### Acquisition of Tanzanian Company

#### (a) About the business

TZC is a Tanzanian graphite reprocessing business, which purchases locally mined graphite, upgrades it through its recently constructed processing plants and exports to international customers. Since starting operations in May, 2026, TZC has already supplied over 2,000 MT of graphite to consumers around the world.

In addition TZC holds permits which are highly prospective for graphite, that could form part of a significant expansion of capacity in the future. TZC is one of the only companies globally to hold graphite resources around all of the key regions of Tanzania positioning it as a potential global supplier to all of the segments of graphite consumption.

TZC is generating a free cash flow is currently expected to generate increasing operational cashflows without any further capital expenditures, with opportunities to invest in expanding both the existing reprocessing business and develop its own primary processing business.

As part of the acquisition, TZC's operational team are expected to join and strengthen the Company's management team.

**(b) Consideration**

The upfront consideration payable on completion is £1.88m to be settled through the issue of 188m shares at 1p per share.

Deferred consideration contingent on future operational cashflows of up to £4,698,750 to be settled through the issue of up to 313,250,000 shares at 1.5p per share calculated on the basis of an annual maximum of the lower of 50% of TZC operational cashflows and £1.5m.

**(c) Working capital facility**

TZC is being acquired on a debt free basis, with the TZC providing a working capital facility of up to US$1m.

**(d) Conditions**

This transaction is subject to various conditions including due diligence, negotiation of definitive documentation, board approval, regulatory consent and shareholder approval.

**Convertible Loan Note**

The Company has raised £0.41m of gross proceeds through the issue of CLNs at nominal value. These CLNs are convertible into shares at the price of 1p per share at the option of the holder. Each CLN has the equivalent of half a warrant per share attached with an exercise price of 1.5p per share, exercisable for up to 2 years. The CLNs have a two year life and bear interest at 12% for the first year and 15% for the second year, with an option for the holder to receive payment of interest in shares. After 1 year the CLNs are redeemable early at the option of the Company at 105% of nominal value, subject to a notice period of 20 business days to allow holders the option to exercise their conversion rights. Additionally should the shares trade above 300% of nominal value, then the Company can require early conversion.

**Strategic Rationale**

The Board considers that the acquisition of the cash generative graphite processing business is highly complimentary to the existing graphite portfolio and the downstream ambitions and will allow the Company to broaden its participation across the global graphite value chain. Additionally, the Board believes that having a revenue generating graphite business will allow it to take the best long term action in order to develop its entire portfolio across Madagascar and Mozambique.

Production of primary graphite concentrate forms the foundation of the industry, with many downstream graphite products continuing to be supplied predominantly from a limited number of jurisdictions. Having several sources spread across multiple jurisdictions places the Company in strong position to capitalise on growing demand from western industrial and battery supply chains for secure and diversified sources of graphite materials.

The fundraise provides the necessary financial flexibility over the coming months to complete the ongoing optimisation programme at Vatomina, the DFS update on Montepuez being carried out by Lycopodium, carry out the necessary due diligence for the potential acquisition of TZC, and progress the downstream studies.

**Montepuez study update**

The Montepuez update being carried out by Lycopodium is progressing on schedule, with a number of opportunities for processing improvements being identified. The initial results are expected to be available in November 2026.

**Vatomina optimisation update**

The optimisation including drilling at Vatomina is ongoing. Initial mine plans to underpin the restart plan are expected to be available in the coming weeks.

**Director subscription to CLNs**

Included within the fundraise is a subscription from a director (Thomas Hill) of £10,000 on the same terms as other investors.

**Christian Dennis, Chairman of Total Graphite plc, commented:**

"The proposed acquisition represents a potentially transformational development for Total Graphite and an important step in our strategy to establish a diversified, vertically integrated graphite business.

The acquisition would bring established graphite processing operations in Tanzania, an experienced operational management team and the potential to generate substantial operating cash flows over the coming years.

Importantly, the proposed consideration structure aligns a significant proportion of the acquisition cost with future operating performance, while the vendor working-capital facility is intended to support the business following completion.

We believe this transaction would materially strengthen Total Graphite's operating platform and provide a foundation from which to advance our existing graphite assets in Madagascar and Mozambique, together with our downstream ambitions.

The successful convertible loan note fundraise will enable us to progress our current work programmes, including the Vatomina optimisation programme, the Montepuez feasibility study update and due diligence.

We look forward to reporting further progress on these initiatives and updating shareholders as the proposed acquisition advances towards definitive documentation and shareholder approval."

**ENDS**

**Enquiries:**

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| **Total Graphite plc**<br>Christian Dennis – Chairman<br>Arun Somani – Chief Executive Officer<br>Thomas Hill – Finance Director | <br>info@totalgraphite.com<br>IR@totalgraphite.com |
| **AlbR Capital Limited – Financial Adviser**<br>David Coffman / Dan Harris | +44 (0) 20 7469 0930 |

| **Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them.** | | |
|---|---|---|
| 1 | **Details of the person discharging managerial responsibilities / person closely associated** | |
| a) | Name | Thomas Hill |
| 2 | **Reason for the notification** | |
| a) | Position/status | Finance Director |
| b) | Initial notification /Amendment | Initial Notification |
| 3 | **Details of the issuer, emission allowance market participant, auction platform, auctioneer, or auction monitor** | |
| a) | Name | Total Graphite PLC |
| b) | LEI | 2138006PQV9F72H17783 |
| 4 | **Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted** | |
| a) | Description of the financial instrument, type of instrument<br><br>Identification code | Convertible Loan Note<br><br>ISIN: GB00BFYMWJ95 |
| b) | Nature of the transaction | Issue of Convertible Loan Note |
| c) | Price(s) and volume(s) | Prices(s): £1 — Volume(s): 10,000 |

| | | |
|---|---|---|
| d) | Aggregated information<br><br>- Aggregated volume<br><br>- Price | <br><br>10,000<br><br>£10,000 |
| e) | Date of the transaction | 4 November 2026 |
| f) | Place of the transaction | Off market |

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