

MANAGING DIRECTOR INCENTIVE OPTIONS & VESTING HURDLES

Graphitecorp Limited (ASX: GRA) advises that, following a review by the Board of the performance and remuneration of the Managing Director, Mr Philip St Baker, the Board has agreed to issue a series of incentive options to Mr Philip St Baker on the terms outlined below. Shareholder approval for the issue of these options will be sought at the Company’s upcoming Annual General Meeting which is currently scheduled for November 2016. There has been no change to Mr St Baker’s base salary.

	Tranche 1	Tranche 2	Tranche 3
Number of Options	2,000,000 Options.	3,000,000 Options.	2,000,000 Options.
Exercise Price	\$0.30 per Graphitecorp share.	\$0.30 per Graphitecorp share.	\$0.30 per Graphitecorp share.
Vesting Date	Any time on or before the Tranche 1 Expiry Date provided the Tranche 1 Vesting Price Trigger has been satisfied.	Any time on or before the Tranche 2 Expiry Date provided the Tranche 2 Vesting Price Trigger has been satisfied.	Any time on or before the Tranche 3 Expiry Date provided the Tranche 3 Vesting Price Trigger has been satisfied.
Vesting Price Trigger	The Vesting Price Trigger will be satisfied if the volume weighted average price (VWAP) of GRA shares traded on the ASX over any ten consecutive trading day period meets or exceeds \$0.50 per GRA share any time on or before the Tranche 1 Expiry Date.	The Vesting Price Trigger will be satisfied if the VWAP of GRA shares traded on the ASX over any ten consecutive trading day period meets or exceeds \$0.90 per GRA share any time on or before the Tranche 2 Expiry Date.	The Vesting Price Trigger will be satisfied if the VWAP of GRA shares traded on the ASX over any ten consecutive trading day period meets or exceeds \$1.20 per GRA share any time on or before the Tranche 3 Expiry Date.
Expiry Date	31 December 2017	30 June 2019	30 June 2019

Mr St Baker was appointed Managing Director prior to the Company’s IPO in 2015. During the period since its ASX-listing, some of the Company’s highlights have included:

- Maiden independent measured and indicated resource estimates achieved
- Confirmed world-class high-grade deposit averaging 18.8% TGC & 43% jumbo and large flake
- Confirmed battery grade concentrate production possible of 99.93%+TGC
- Developed a unique graphite marketing strategy
- Pre-marketing meetings undertaken with potential customers in China and Japan
- Independent concept study completed

FOR FURTHER INFORMATION

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Executive Director

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ABOUT GRAPHITECORP

Graphitecorp (ASX: GRA) is a developer of one of the highest-grade flake graphite deposits in the world, located in Australia, and referred to as the Mount Dromedary Project.

The deposit includes a large high grade “Graphite Schist” mineralisation zone averaging 18.8% TGC (up to 35% TGC) with large flake size distribution being 43% jumbo to large flake size and outcropping over a strike-length of at least 3km with a variable width between 35m and 350m.

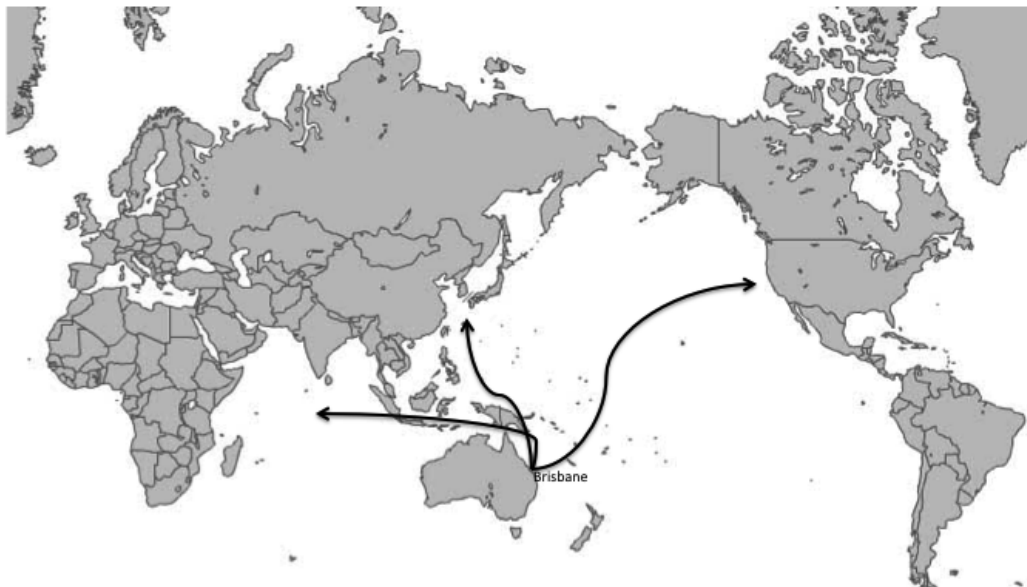
Graphitecorp has an 82% effective interest in the deposit, based on currently mapped surface area, with the remaining interest held by the Company’s joint venture partner Washington H. Soul Pattinson and Company Limited (ASX: SOL) subsidiary Exco Resources Limited.

The project is favourably located 125km north of Cloncurry with well-developed transport and mining supply infrastructure available.

- Located in Australia with low levels of sovereign risk, ability to provide long term security of supply, alternate sourcing to China and Africa, and higher environmental and other sustainability related standards
- Large open-cut deposit located within one kilometre of a sealed all-weather bitumen highway maintained by the State Government and gazetted for use by road-trains
- Daily road-train transport to the Ports available from major freight haulage companies with large-scale backhaul capacity
- Highway networks connect the project with Queensland export ports including the Port of Brisbane which is regularly serviced by major shipping liners and has back-haul capacity to target markets; and
- Located in a well-established mining region with abundant skills, services and experience, and playing a significant role in the Queensland economy.

Given strong project fundamentals and positive demand outlook for specialised graphite products, Graphitecorp is diligently progressing a feasibility study with its joint venture partner to assess the economic opportunity of establishing a business to mine, process, manufacture and market high quality graphite products into Asian and other global markets.

For more information on Graphitecorp please visit our website at www.graphitecorp.com.au



Containerised Ocean Transport Possibilities: Port of Brisbane to Potential Asian, West Coast USA & European Graphite Users