

Talga Upsizes Heavily Oversubscribed Share Purchase Plan

Battery anode company Talga Group Ltd (“**Talga**” or “**the Company**”) (**ASX:TLG**) advises it has successfully completed its Share Purchase Plan (“**SPP**”) announced on 15 December 2020.

The SPP, targeting A\$10 million, was heavily oversubscribed with eligible applications received for A\$53.5 million at the issue price of A\$1.45 per share. Talga received 3,991 applications, representing a participation level of ~53% of eligible shareholders.

Given the strong support from shareholders, and the potential to bring forward a number of development opportunities and further de-risk project development, the Talga Board has exercised its discretion under the terms of the SPP to increase the size of the offer to ~A\$30 million. Activities planned to be brought forward using the additional capital include:

- Completion of 25,000 tonne trial mine at Niska South and subsequent production of up to 5,000 tonnes of commercial Talnode® product samples;
- Commencement of early stage infrastructure works and securing long lead items for the commercial 19,000 tonnes anode per annum Vittangi Anode Project with planned 2023 production start;
- Increased drilling to expand Talga’s Swedish graphite resources and upgrade/deepen its Vittangi resources across Nunasvaara South (DFS expected March 2021), Niska South, Niska North and Nunasvaara North (Scoping Study released 7 December 2020); and
- Accelerate the development and commercialisation of next generation Talnode® products including silicon and solid state anodes.

The strong demand from eligible shareholders necessitates a significant scale-back of SPP applications. Scale backs have been applied using a range of factors outlined in the SPP Offer Document including trading activity since the SPP Record Date and metrics to reward longer-term shareholders. Talga Directors eligible to participate in the offer have all applied for the maximum SPP entitlement and have been scaled back using the same factors.

Talga Non-Executive Chair, Terry Stinson commented: *“To honour the support of our shareholders the Board has decided to accept SPP oversubscriptions to allow participants to partake in a reasonable entitlement considering the significant number of applications. On behalf of the Company I would like to thank all of our shareholders for their support.”*

Talga Managing Director, Mark Thompson commented: *“The proceeds from the SPP and recently completed institutional placement provides significantly enhanced capability for Talga to grow the company into a world-class provider of low emission high performance battery materials. We are excited to commence early stage works on our Swedish flagship project and accelerate the development and commercialisation of the full range of Talnode® products, including our silicon and solid state anodes.”*



The SPP shares are expected to be issued on Wednesday, 27 January 2021 and commence trading on the ASX on Thursday, 28 January 2021. Holding statements are expected to be dispatched on Wednesday, 27 January 2021.

A total of 20,722,065 million new fully-paid ordinary shares will be issued, representing approximately 7.3% of Talga's ordinary shares on issue prior to the SPP.

Refund Process

The payment of refunds for scaled back applications, as well as invalid applications, is expected to commence on Monday, 25 January 2021.

To expedite the refund process, shareholders are encouraged to provide their nominated bank account details. If shareholders need to update their nominated bank account details this can be done on the Automic Investor Portal at: www.investor.automic.com.au. Any changes to nominated bank account details need to be completed by 5.00pm (AWST), Friday, 22 January 2021.

If shareholders have not provided their nominated bank account details their refund will be received via cheque, mailed in the post to the relevant registered address as shown in the share register. For any queries, shareholders should contact the Company's share registry, Automic, on +61 (0) 2 9698 5414 or at hello@automicgroup.com.au.

Authorised for release by the Board of Directors of Talga Group Ltd.

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About Talga

Talga Group Ltd (ASX:TLG) is building a European battery anode and graphene additives supply chain, to offer advanced materials critical to its customers' innovation and the shift towards a more sustainable world. Vertical integration, including ownership of several high-grade Swedish graphite projects, provides security of supply and creates long-lasting value for stakeholders.

Company website: www.talgagroup.com

Forward-looking statements & Disclaimer

Statements in this document regarding the Company's business or proposed business, which are not historical facts, are forward-looking statements that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements.

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