

Depth Extension Drilling Commences at Europe's Largest Graphite Resource

- Testing of resource depth extensions underway at Vittangi Graphite Project in Sweden, the source of the world's greenest Li-ion battery anodes
- Depth extension drilling expected to be completed by mid-October, with study of assay results beginning in Q4 2021
- Follows geotechnical and measured resource drilling programs completed this month at Nunasvaara South, the initial development within the Vittangi project

Battery anode and advanced materials company Talga Group Ltd (**"Talga"** or **"the Company"**) is pleased to advise the commencement of resource depth extension drilling to further explore the full potential of Europe's largest graphite resource at Vittangi, Sweden. This is in addition to the completion this month of scheduled mine site preparation drilling at Nunasvaara South ([ASX:TLG 20 July 2021](#)).

This extension drilling will test under the existing Nunasvaara South, Nunasvaara North and Niska South graphite JORC 2012 mineral resources and begin testing the JORC-compliant Vittangi Exploration Target estimate, which currently totals 170-200Mt at 20-30% Cg ([ASX:TLG 20 July 2021](#)).

Note that the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The drill results are expected to provide important information related to potential underground mining operations and future expansion programs following the Niska Scoping Study ([ASX:TLG 7 December 2020](#)), which outlined a pathway for Talga Group to become the largest Li-ion battery anode producer outside China¹ by 2025-26, producing a total of more than 100,000tpa anode.

The extension drilling will be completed in October 2021, with internal studies of assay results beginning in Q4 2021.

In addition, exploitation concession applications for the Niska project have now been submitted to government authorities to commence the process for development aligned with the Niska Scoping Study. The Company will submit Niska's environmental permit once an environmental permit has been granted for Nunasvaara South, which is expected to be granted by mid-2022.

Figure 1 Drilling underway at Vittangi graphite project



¹ <https://www.benchmarkminerals.com/anode-market-assessment/anode-data-analysis/>



The drilling campaign and the Niska Scoping Study are a result of significant external commercial interest in Talga's green graphite anodes for Li-ion batteries. Engaged customers' annual demand, including current expressions of interest and targeted 2025 anode supply, now exceeds 14 times the 19,500tpa Talnode®-C production capacity outlined in the Vittangi Anode Project DFS ([ASX:TLG 1 July 2021](#)). By 2030, engaged customers' demand is estimated to exceed 50 times the DFS capacity with 30% of this demand coming from European manufacturers.

Confidential qualification processes using Talnode® samples have increased to 62 active programs across 48 customer engagements. Talga is now working directly with 11 automotive companies and the majority of announced battery manufacturers in Europe under advancing qualification and procurement processes.

Talga Managing Director, Mark Thompson, commented: *"With very strong commercial interest in our range of green graphite battery anodes, and progression towards production outlined in the Vittangi Anode Project DFS, Talga is in a strong position to be a key player in the European battery supply chain. However, it is also clear that expansion is a necessary step. Vittangi is Europe's largest, highest grade graphite resource and a world leader in low emission battery anode production for electric vehicles. We want to see as much of that graphite in electric vehicles as possible, helping to decarbonise the global economy."*

Graphite Exploration and Development

Talga is also pleased to announce that geotechnical, hydrogeological, waste rock and measured resource drilling has been completed on schedule at Pit 4 of the Nunasvaara South ore reserve in readiness for planned mining in 2023.

Further drilling is planned over the balance of the Vittangi Exploration Target in stages over the next 12-18 months, along with drill testing of nearby regional targets owned by Talga.

Drilling aimed to expand the current Jalkunen Graphite Project resource base is scheduled to commence in the northern winter, January-March 2022, to be followed by a planned scoping study and subsequent exploitation licence application. Jalkunen lies approximately 70km by road southeast of Vittangi. A review of the Jalkunen JORC Exploration Target is underway and will be reported when complete.

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Competent Persons Statement

The Company first reported the production targets and forecast financial information referred to in this announcement in accordance with Listing Rules 5.16 and 5.17 in its announcement titled 'Robust Vittangi Anode Project DFS' dated 1 July 2021. The Company confirms that all material assumptions underpinning those production targets and forecast financial information derived from those production targets continue to apply and have not materially changed.

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

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Figure 2 Vittangi Graphite Project Exploration Target Locations.

