

Graphite Trial Mine to Commence and Niska Mining Applications Submitted

- Trial mining scheduled to commence at Talga's Niska South deposit, part of the Vittangi graphite project in northern Sweden
- Graphite mined during the trial will feed expanded testing of Talnode®-C lithium-ion anode for electric vehicle battery customer qualifications
- Exploitation permit applications for Niska expansion submitted to Swedish authorities

Battery anode and advanced materials company Talga Group Ltd ("**Talga**" or "**the Company**") is pleased to announce it is to commence trial mining this month at the Vittangi graphite project ("Vittangi") in northern Sweden.

The trial mine, operating under a three-year permit issued by the Environmental Review Commission within the Norrbotten County Administration Board ("CAB"), covers the extraction of 25,000 tonnes graphite ore from Talga's Niska South deposit at Vittangi.

Trial mined ore will be subsequently refined into Talnode®-C, the Company's flagship Li-ion battery anode product for large scale production testing in the EV supply chain. This coated high-performance anode product has been developed over several years by Talga to provide a sustainable and European source of anode for battery manufacturers.

Trial mine operations are scheduled to begin in mid-September and in this first phase of the campaign, approximately 2,500 tonnes of graphite ore is planned to be extracted before the site is rehabilitated for the northern hemisphere winter. Rehabilitation will use the successful measures previously used in the Company's 2015-2016 trial mining campaign at its nearby Nunasvaara South deposit. The balance of the permitted 25,000 tonnes graphite ore is planned to be accessed in 2022.

Figure 1 Talga's Vittangi graphite ore is refined into the world's lowest emission lithium-ion battery anodes suitable for electric vehicles and other battery applications to help decarbonise the global economy.



Niska Mining Applications Submitted

In addition, exploitation concession applications have been submitted over the Niska North, Niska South and Nunasvaara North deposits of the Vittangi project (see Fig 2 and 3). These pertain to expansion plans defined in the Niska Scoping Study ([ASX:TLG 7 December 2020](#)) which detail a pathway for Talga to produce a total of more than 100,000tpa anode for Li-ion batteries – sufficient for the production of approximately one million passenger electric vehicles¹ per year.

The Company will submit Niska's environmental permit application once an environmental permit has been granted for the nearby Nunasvaara South deposit, which is expected to be granted in mid-2022.

Talga Managing Director, Mark Thompson, commented: *The trial mining of our Niska South deposit will allow Talga to begin testing Talnode®-C samples on a mass production scale. The graphite anode products created from the ore will help progress Talga's battery manufacturing customer qualification trials and market testing towards future expanded commercial production."*

Annual demand from Talga's engaged customers', 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, customers' estimated demand exceeds 50 times the DFS capacity, with 30% of this demand coming from European manufacturers.

Confidential commercial processes using Talnode® qualification 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.

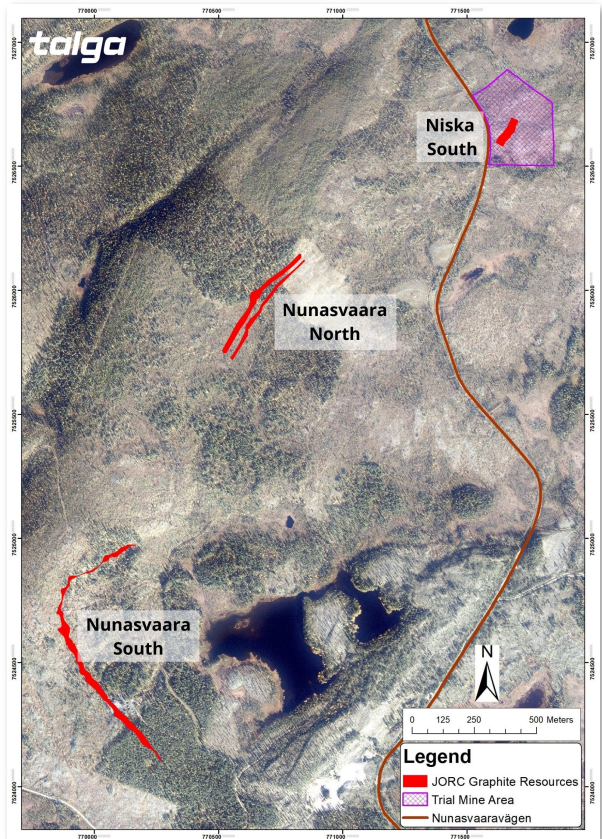
Authorised for release by the Board of Directors of Talga Group Ltd.

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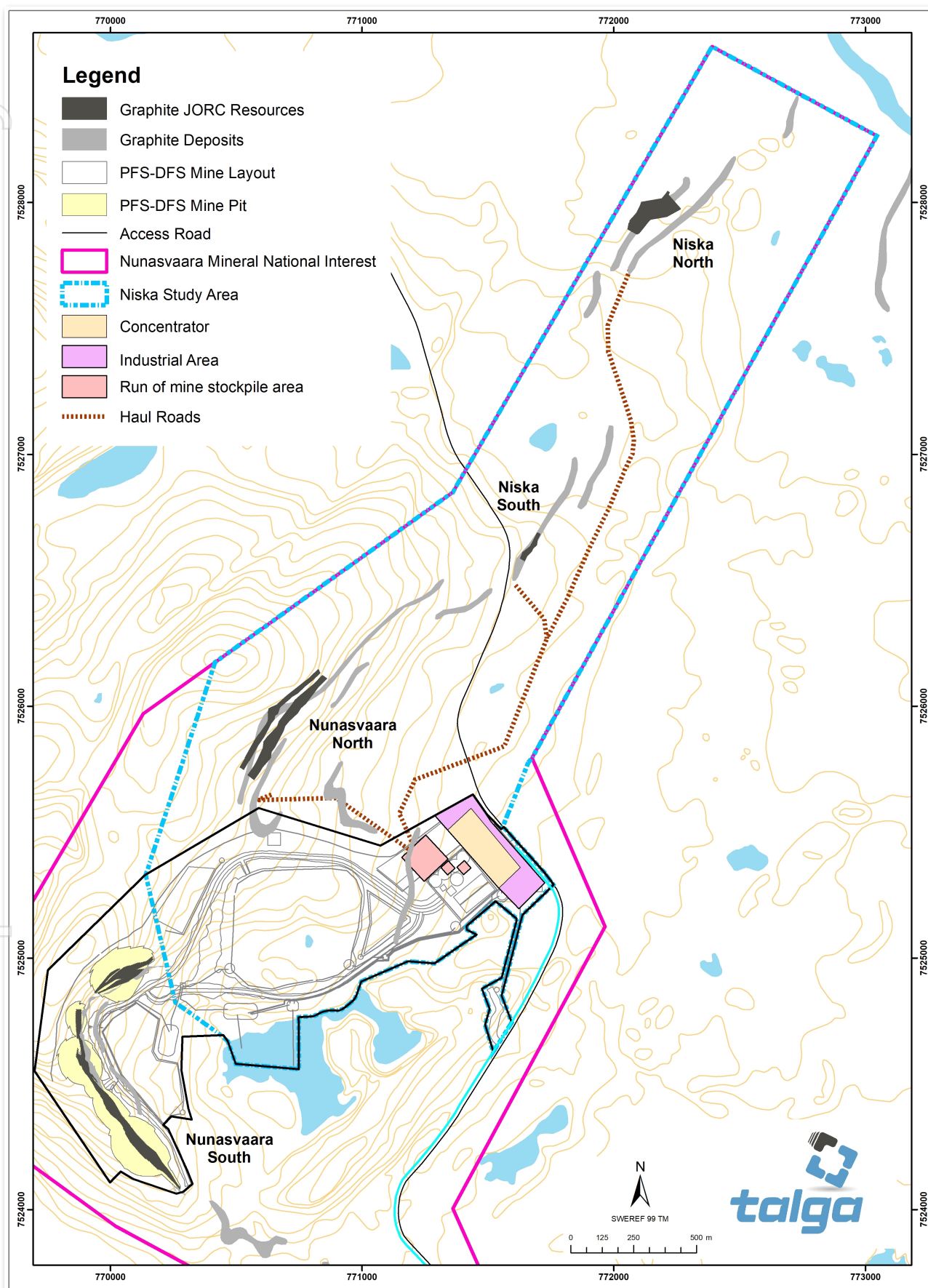
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Figure 2 Vittangi Graphite Project, showing trial mine area at Niska South deposit.



¹ Assumes 76.5kWh battery pack being average of VW ID.4 1st and Tesla Model 3 Performance. Note 1 kWh = 1.2Kg anode per Benchmark Mineral Intelligence report.

Figure 3 Vittangi Graphite Project deposit locations.



Competent Persons Statement

The Niska Mineral Resource estimate was first reported in the Company's announcement dated 15 October 2019 titled 'Talga boosts Swedish graphite project with maiden Niska resource'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcement and that all material assumptions and technical parameters underpinning the Resource estimate in the previous market announcement continue to apply and have not materially changed.

The Nunasvaara Mineral Resource estimate was reported in the Company's announcement dated 17 September 2020 titled 'Talga Boosts European Natural Graphite Resources'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcement and that all material assumptions and technical parameters underpinning the Resource estimate in the previous market announcement continue to apply and have not materially changed.

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

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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