

Long Time Technology and Talga Battery Anode Agreement

Battery anode company Talga Group Ltd (“**Talga**” or “**the Company**”)(**ASX: TLG**) is pleased to advise it has entered into a Memorandum of Understanding (“**MOU**”) with Long Time Technology Co., Ltd (“**LT Tech**”), a leading manufacturer of anode materials used in lithium-ion batteries.

Headquartered in Taiwan, LT Tech serves global battery customers from four production centres utilising natural and synthetic graphite (the latter manufactured with hydropower). LT Tech is a publicly traded company, co-owned by Foxconn Technology Group (“**Foxconn**”), a Tier 1 contract manufacturer of electronic devices and, more recently, electric vehicle platforms.

Agreement

The non-binding MOU follows successful initial tests of Talga’s natural graphite Talnode®-C product and LT Tech’s synthetic battery anode products, and contains the criteria for scaled up supply and evaluation of joint anode materials and blends.

Under this framework, LT Tech and Talga (“the Parties”) wish to enter an Anode Testing Contract (“ATC”) to secure increasing volumes of materials for larger cell trials and to complete qualification programs with agreed customers. The ATC will consider volumes, pricing, intellectual property and know-how to align the Parties’ commercial goals. Talga’s materials will be produced from its existing anode facilities and upcoming EVA plant in Luleå, Sweden.

At the completion of anode testing, the Parties seek to enter an Anode Materials Supply Contract (“AMSC”) to secure supply volume to customers at the mass production level from the Parties’ respective operations. The AMSC scope will consider environmental impacts and Life Cycle Assessments of both Parties’ products. Delivery destinations will be defined within nominated European and Asian markets, with supply volumes co-ordinated with the ramp up and start of Talga’s commercial anode production.

Commenting on the MOU, Talga Managing Director Mark Thompson said: *“We are excited to enter a technology and commercial partnership with LT Tech towards enabling cleaner and better batteries for the world. As electric vehicle demand ramps up, we see a growing market for blends made from our green natural graphite anode and qualified synthetic anode made with hydropower. We also see excellent synergies between our operational locations and LT Tech’s partners and customers.”*

Commenting on the MOU, Long Time Technology COO Wayne Yen said: *“LT Tech, with profound experience, plans to start its manufacturing outside Asia while Talga in Europe is undeniably a trusted friend and partner. This partnership marks a step closer to our goal of producing the greenest anode, reinforces the ambitions to scale our business into international markets, and further strengthen both technological capabilities.”*

The MOU will terminate upon Parties agreeing to enter into a definitive supply contract or upon the receipt of a written notice from either Party to terminate the MOU. Should further agreements be entered into or the relationship otherwise comes to an end, Talga will release details in accordance with its disclosure obligations at that time.



Project Background

Talga is establishing a European supply of green graphite anode products for lithium-ion batteries, by constructing Europe's first large scale anode production facility fully integrated with 100% owned graphite mining operations in northern Sweden ([ASX:TLG 1 July 2021](#)).

Currently, EV battery anodes use a blend of synthetic graphite with natural graphite to gain benefits from both. As battery manufacturers and OEMs become increasingly focused on the environmental footprint of their supply chain, and the cost of synthetic feedstock increases due to inherent limitations of supply, there is a transition underway to natural-dominant blends. This is due to natural graphite's lower emissions footprint and more favourable raw materials pricing than artificial carbon feedstock (petroleum coke and coal tar pitch).

Talga's natural graphite Talnode® range of anode products is designed to operate both as a 100% replacement of synthetic anodes and a drop-in performance additive, depending on customer requirements. Talga is seeking to partner with the cleanest synthetic graphite anode producers with commercial alignment to serve global customer demand for blends and to maximise market opportunities.

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

For further information please contact:

Mark Thompson
Managing Director
[Talga Group Ltd](#)
T: +61 (0) 8 9481 6667

Nikki Löf
Group Communications Manager
[Talga Group Ltd](#)
T: +61 (0) 8 9481 6667



About Long Time Technology

LT Tech has manufactured anode materials for over ten years in Asia and now taking its first step into the European market. Combining its advanced anode technology and industrial technology owing to its major shareholder, Foxconn, LT Tech strives to become a leading institute in the Li-ion Battery industry.

Company website: <https://www.lttech.com.tw/en/>

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.

This announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction. This document does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this representation are not intended to represent recommendations of particular investments to particular investments to particular persons.

