

Talga advances anode project development and finance

European financial institution support received as Talga progresses Vittangi Anode Project financing strategy and value engineering

- Letter of Interest received from Nordic Investment Bank for Vittangi Anode Project funding
- Talga and process technology partner ABB received Letter of Support from Swiss Export Risk Insurance, the official Export Credit Agency of Switzerland
- Project optimisation and formal value engineering nears completion with Project partner Worley
- BurnVoor appointed as specialist financial advisor

Battery materials company Talga Group Ltd ("**Talga**" or "**the Company**")(**TLG:ASX**) is pleased to provide a project and funding update for the Vittangi Anode Project ("**Project**") in northern Sweden.

Talga's financing strategy targets a mix of project equity and debt, with a focus on European institutional and government-backed funding instruments. To assist execution of this strategy, Talga has appointed a specialist financial advisor and progressed development of Project funding packages in parallel with strategic partnership discussions.

Funding update

As part of progressing Project financing discussions, Talga is engaging with a number of export credit agencies, multilateral agencies, and international banks focussed on the battery value chain.

The Company has received a Letter of Interest from **Nordic Investment Bank** ("**NIB**"), the international financial institution of the Nordic and Baltic countries. Under the Letter of Interest, NIB will explore the possibility of providing financing to Talga's integrated Vittangi Anode Project. The Letter of Interest is non-binding and NIB's participation is contingent upon satisfactory due diligence, approvals and negotiation, and execution of binding transaction documents.

In addition, Talga and its Project technology partner **ABB** have received a Letter of Support from **Swiss Export Risk Insurance** ("**SERV**") for ABB's delivery of production and process control solutions. These solutions form a significant portion of total Project scope and capital expenditure. Typically, interest rates charged by lenders on debt guaranteed by export credit agencies, such as SERV, are lower than commercial rates as repayment of the debt is guaranteed.

Talga has also received a second Letter of Support from a leading European Bank to provide financing for the Project. Both Letters of Support are non-binding and subject to customary due diligence, approvals and negotiation, and execution of binding transaction documents.

In parallel, Talga continues to pursue binding commercial agreements and finance commitments through its partnership strategy. Discussions with potential strategic partners are ongoing and include large automotive OEM's and global participants across the lithium-ion battery supply chain.

Front End Engineering and Design

Following completion of the Detailed Feasibility Study ("DFS") (ASX:TLG 1 July 2021), Talga has been working with Project partners to complete front-end engineering and design ("FEED") for the Vittangi graphite concentrator and anode production plant in Luleå. The FEED studies are scheduled for completion this month.

Value Engineering

Building on Project optimisation work completed to date by Talga, a formal value engineering process conducted with internationally renowned engineering firm **Worley** is underway and nearing completion. This optimisation process will refine costs and final equipment details, further enhancing the Project's already exceptional potential to supply globally competitive green battery anode. The results will be used to support final funding packages in preparation for Project execution and commencement of commercial production in 2024.

Talga Managing Director, Mark Thompson, commented: *"The last six months have seen Talga achieve significant progress in the development of our Vittangi Anode Project in Sweden, which is receiving strong interest in project financing options amid rising market demand. As the Company executes on this stage of development and value engineering, the support received from European financial institutions is a significant vote of confidence in the Project."*

BurnVoir Appointment

In addition, Talga has appointed independent advisory group **BurnVoir Corporate Finance Limited** ("**BurnVoir**"). BurnVoir will work with Talga to secure an attractive, flexible funding package for the development of the Vittangi Anode Project. BurnVoir has arranged development and acquisition finance for a number of battery metals projects in recent years, including for the development of Pilbara Minerals' Pilgangoora Project, and A\$1,100M in debt facilities for IGO's acquisition of an interest in the Greenbushes Lithium Mine and Kwinana Lithium Hydroxide Refinery. BurnVoir's appointment will support Talga's funding strategy as the Company prepares for construction and commercial scale production.

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

For further information please contact:

Mark Thompson
Managing Director
Talga Group Ltd
+61 (0) 8 9481 6667

Nikki Löf
Group Communications Manager
Talga Group Ltd
+61 (0) 8 9481 6667

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

About NIB

NIB is the international financial institution of the Nordic and Baltic countries. NIB works towards a prosperous and sustainable Nordic-Baltic region. Its mission is to finance projects that improve the productivity and benefit the environment of the Nordic and Baltic countries. NIB provides sustainable, long-term financing to customers in both the private and public sectors on competitive market terms to complement commercial lending. Website: www.nib.int

About SERV

Swiss Export Risk Insurance SERV insures political and commercial risks involved in exporting goods and services. SERV insurance and guarantees protect Swiss exporters and facilitate export financing. SERV's solutions also help companies obtain low-interest loans or higher credit limits to conserve cash when exporting goods and services. Website: www.serv-ch.com

About ABB

ABB is a leading global technology company that energises the transformation of society and industry to achieve a more productive, sustainable future. By connecting software to its electrification, robotics, automation and motion portfolio, ABB pushes the boundaries of technology to drive performance to new levels. Website: www.abb.com

About Worley

Worley is a global engineering company that provides professional services to the resources, energy, and industrial sectors. As Australia's largest oil and gas engineering group, Worley delivers engineering design and project delivery services, including maintenance, reliability support, and advisory services. Website: www.worley.com

About BurnVair

BurnVair Corporate Finance is a leading independent Australian investment and advisory firm with extensive experience and a strong track record in financial services across the energy, resources and infrastructure sectors. Website: www.burnvair.com.au

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