

2020 Annual General Meeting

Talga Resources Ltd



Talga (ASX:TLG)

A highly integrated producer of advanced battery anode materials and graphene additives

Building a European supply chain of advanced materials critical to our customers' innovation and the shift towards a more sustainable world

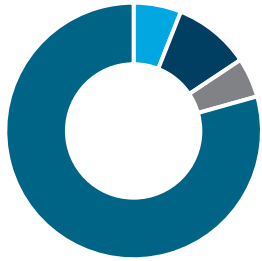
Vertical integration with 100% ownership of mineral resources, processing and product provides security of supply for customers and creates long-lasting value for stakeholders

Our strong in-house expertise spans mineral exploration and development, processing technology, product R&D and marketing



Corporate Overview

ASX:TLG SHARE PRICE (YEAR TO DATE)



SHAREHOLDERS

- Board & Management
- Smedvig
- European Investors
- Other

CAPITAL STRUCTURE

ASX Listing Code:	TLG
Market Capitalisation:	\$469M
Listed Shares:	265.1M
Unlisted Options:	7.0M
Cash:	\$12.6M

MAJOR SHAREHOLDERS

Smedvig – Family Office	9.7%
JP Morgan Nominees	8.8%
Mark Thompson – M. Director	5.4%
Citicorp Nominees	4.4%
BNP Paribas	3.9%
Pelmer Securities	3.5%

TOP 20 SHAREHOLDERS **52.5%**

NOTE: CASH AS AT 30 SEPTEMBER 2020 and MARKET CAPITALISATION AS AT 11 NOVEMBER 2020.

Our Journey So Far

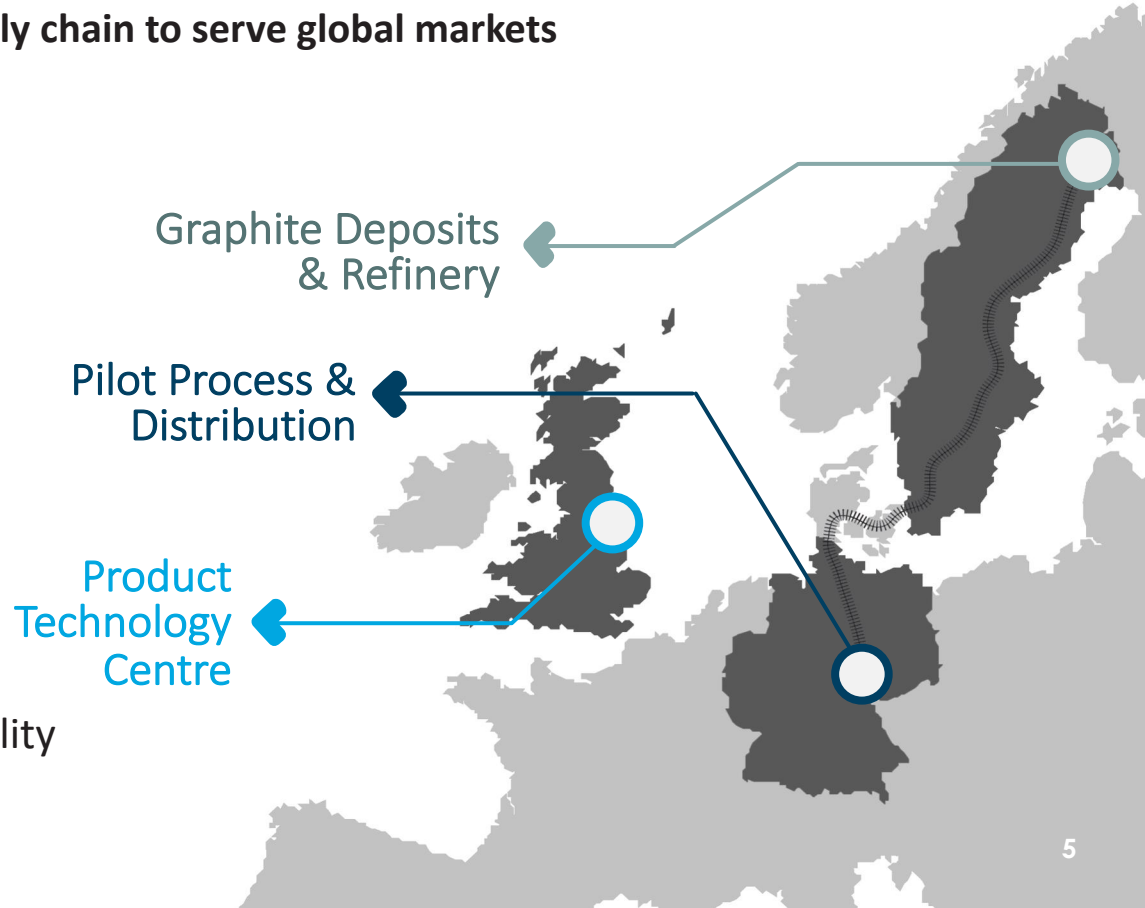
- **2010** Talga founded by Mark Thompson and listed on ASX (code *TLG*)
- **2011** Acquires first graphite permits in Sweden
- **2012** Acquires Teck subsidiary to gain control of Vittangi graphite project. Drills out world's highest grade JORC graphite resource
- **2014** Develops breakthrough graphene electrochemical process
- **2015** Trial mining starts in Sweden and German pilot processing facility comes online. Trial mine expanded in 2016
- **2017** Product development division established in Cambridge, UK
- **2018** Breakthrough battery anode results and start of Talnode® range
- **2019** Vittangi Anode Project PFS shows outstanding economics >US\$1B NPV
- **2020** Talnode®-C progressing through >36 battery customer engagements including 6 global auto OEMs. Graphite mineral resources increased to >50Mt. Mitsui and LKAB sign LOI on project development.

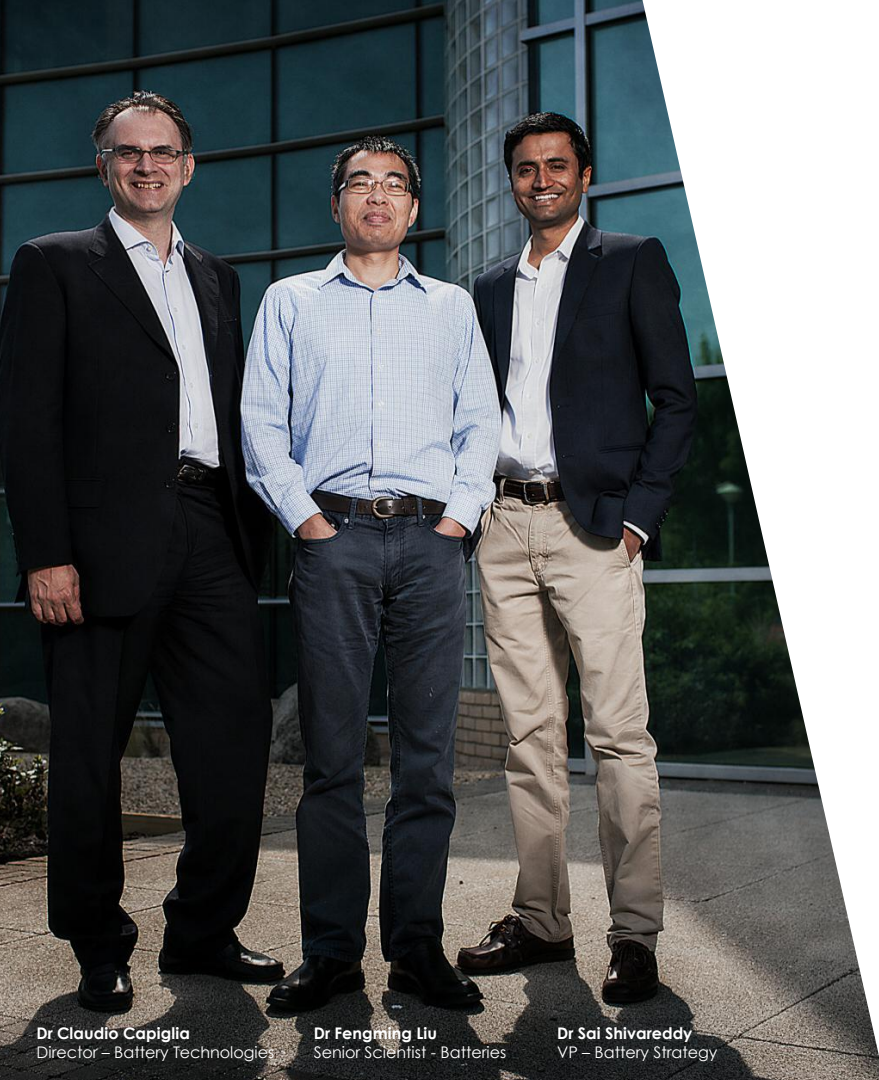


Europe Operations

European-based 100% controlled supply chain to serve global markets

- **Talga Sweden**
Integrated graphite mine & anode production in Luleå
- **Talga Germany**
Rudolstadt test process facility & direct rail to EU locations
- **Talga UK**
Battery anode & graphene technology development.
Production options under feasibility





Dr Claudio Capiglia
Director – Battery Technologies

Dr Fengming Liu
Senior Scientist - Batteries

Dr Sai Shivareddy
VP – Battery Strategy

In-house Expertise

Deep industry knowledge enables direct commercial customer relationships and competitive advantage

Talga develops high performance Lithium-ion battery anodes and graphene additives using its unique:

- ▶ natural carbon source
- ▶ processing technology
- ▶ in-house product technology

Growing team of over 20 material scientists and engineers with energy product experience including ex-Toyota, Tata, Dyson and Cambridge University alumni and advanced material patent holders.



Graphene Additives

Functionalised fit-for-purpose graphene additives targeting global large volume applications with performance and sustainability as key drivers

Talga's graphene (Talphone®) products continue commercialisation in a multitude of applications

Emerging market for graphene in batteries, including silicon anode composites and cathode additives

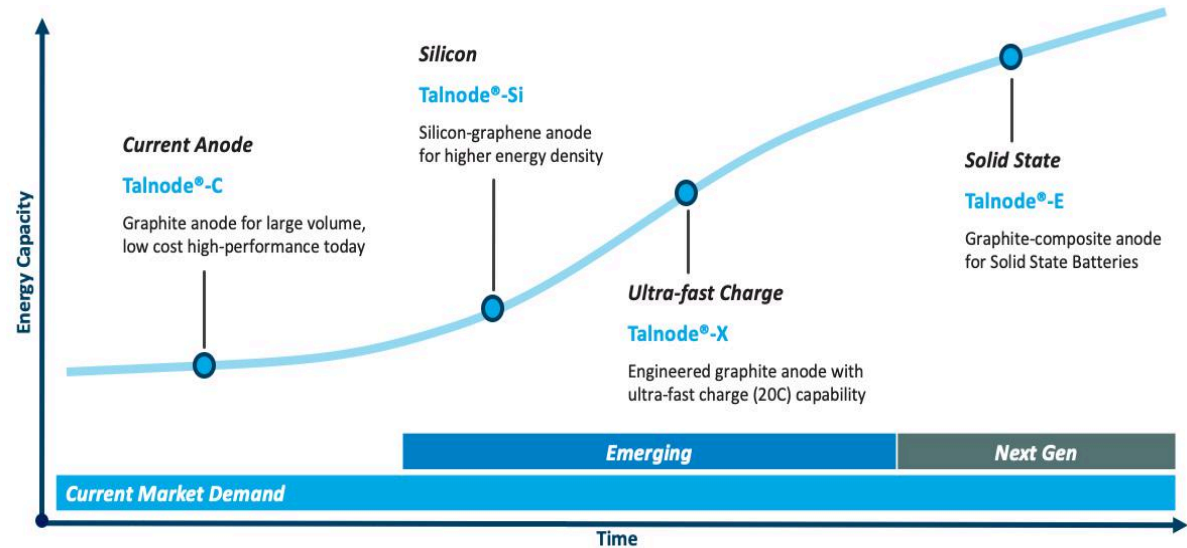
Route defined to produce graphene for Talnode®-Si from Talnode®-C anode process

Talphone® production expansion to progress in step with commercial demands and contracts. Talnode®-Si graphene to be included in Niska scoping study.

Anode Products

Well positioned for future growth with current and new anode technologies

- ▶ Strong range of anode products designed to position Talga ahead of evolving market demands
- ▶ Positioned to capitalise on expansion of multiple technologies which will command premiums



Growing Partnerships

Talga's unique assets and commercial potential attracts reputable industry partnerships



MITSUI & CO., LTD.



Innovate UK



BENTLEY



2020 Strong Performance

Delivering milestones and advancing towards higher value

ASX:TLG SHARE PRICE (A\$/SHARE)

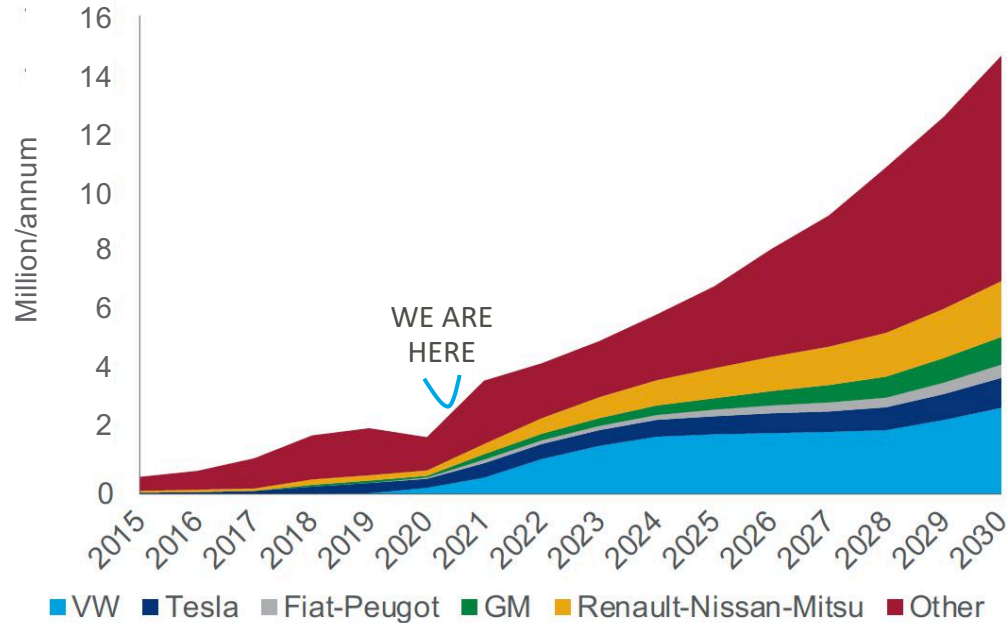


- ✓ 25,000t trial mine permit approved
- ✓ 100,000tpa mine permits submitted
- ✓ 19,000tpa anode DFS commenced
- ✓ LOI signed with LKAB and Mitsui
- ✓ 15% increase in Vittangi graphite resource
- ✓ Expansion options/Niska Scoping Study underway
- ✓ Fast-tracking of mass producible silicon anode
- ✓ Support from UK Government for UK anode

EV sales set to grow 700% by 2030

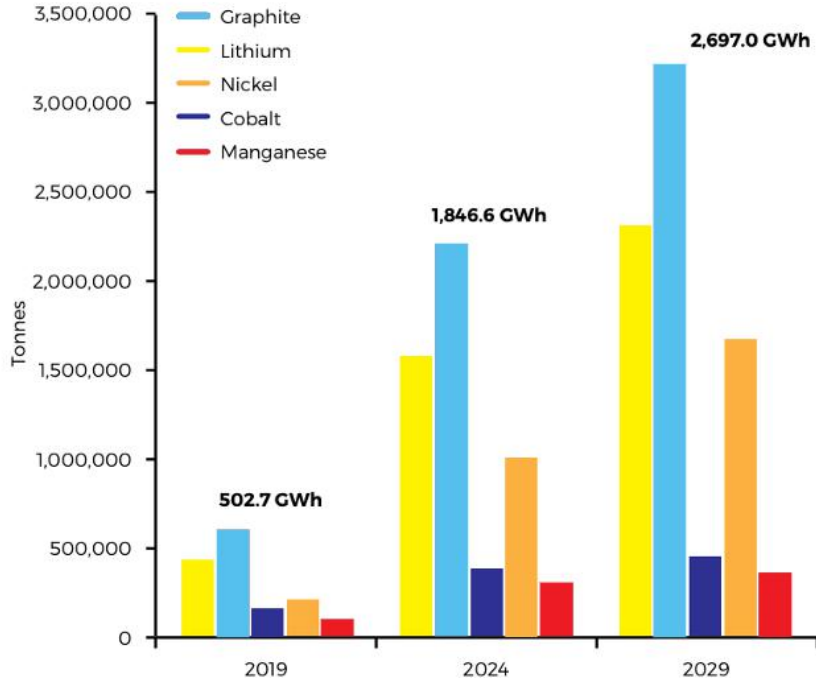
Long-heralded shift to Electric Vehicles underway, driving new demand for Li-ion batteries

EV sales by company



Battery Material Demand

Graphite is the largest volume active material in Li-ion battery



- ▶ EV demand and legislative pressure on internal combustion engines creating huge new demand for battery materials on top of rebounding industrial demand
- ▶ There is ~10x graphite than lithium in a Li-ion battery
- ▶ ~3.2 million tonnes graphite anode required by 2029, up from ~600 thousand tonnes today

EU: Fastest Growing Battery Market



Battery Opportunity

Build a new anode supply chain outside of Asia to serve the European and North American markets

Production of the most sustainable and lowest-cost anode for Li-ion batteries would use:

- ▶ *natural graphite (not synthetic)*
- ▶ *sustainable electricity*
- ▶ *locally produced (not imported)*

"We prefer separator and anode segments over other segments in EV battery value chain due to 1) concentrated supply structure, 2) high technical entry barrier, and 3) customized feature of products"

Morgan Stanley
Equity Research

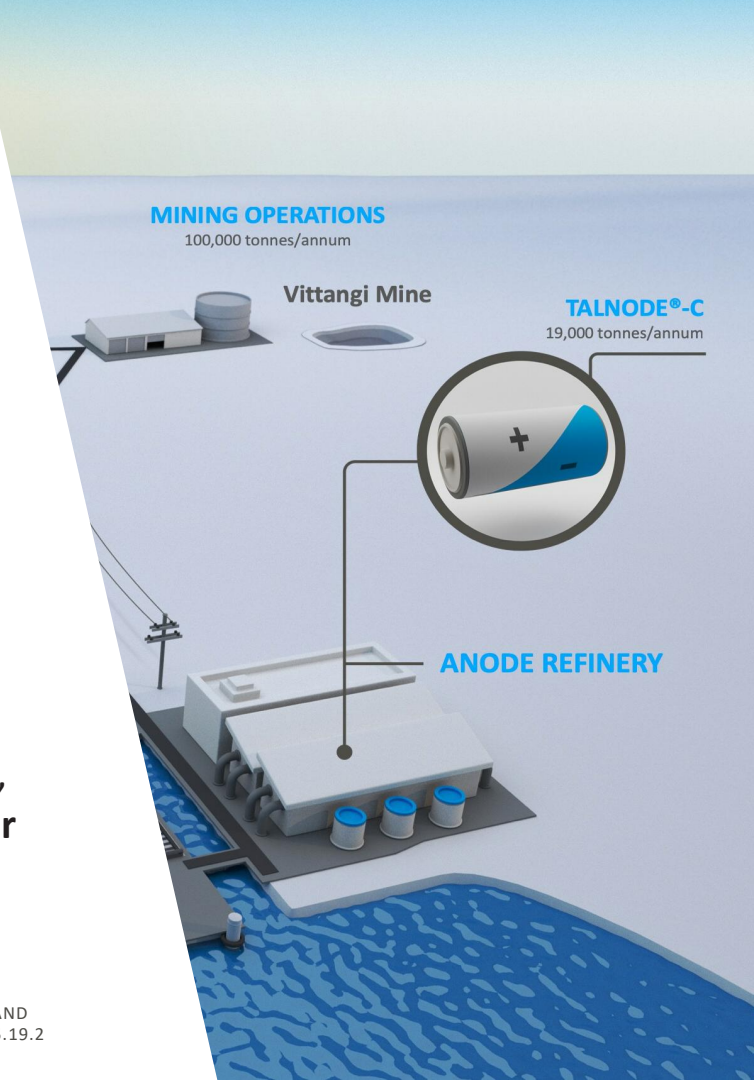
Building the Solution

Talga is building a **wholly owned fully integrated anode supply chain** in **Sweden** with development of its anode refinery fed by graphite from Talga's Vittangi project

Planned **19,000tpa of anode production for 22 years** from 2023 following Electric Vehicle Anode (EVA) pilot plant in 2021

PFS shows strong financial potential with pre-tax **annual revenue of US\$188m and IRR 55%**. Life of mine net profit before tax is US\$3,133m and current **NPV_g (real) is US\$1,056m**

Expressions of interest received for >300% of planned capacity, so **expansion being scoped for significantly larger scale in near future** (ASX:TLG 24 Jun 2020 re Niska Scoping Study)



Project Advantage

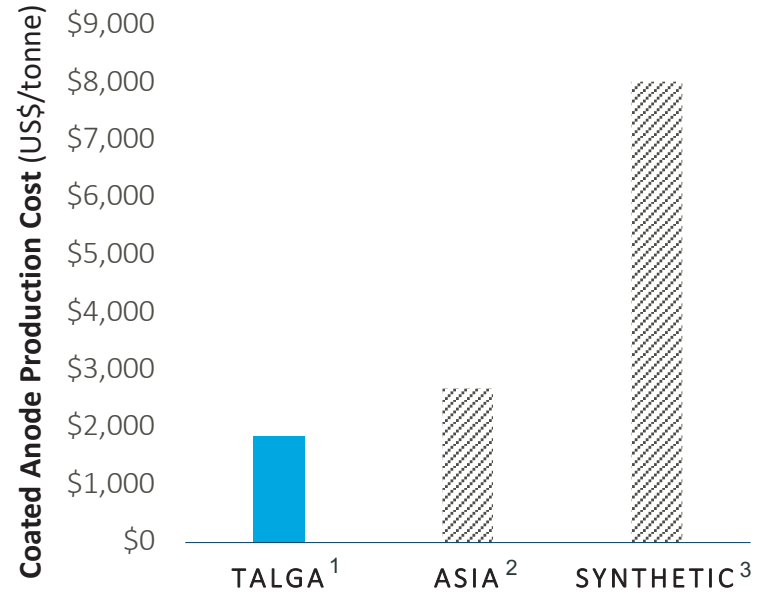
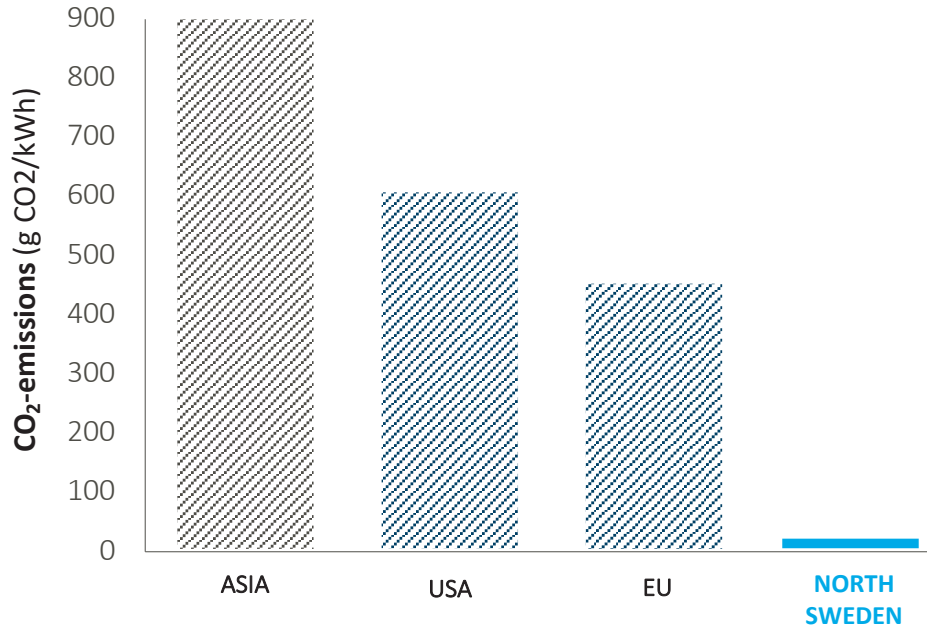
Vittangi Project has a range of inherent competitive advantages

- ✓ Highest grade graphite resource
- ✓ 100% anode flake (no industrial products)
- ✓ Exceptional anode yield (90%+)
- ✓ Located in Tier-1 investment jurisdiction
- ✓ Access to sustainable low-cost power
- ✓ Proximal to the European EV supply chain



Low Cost and Low Emission Leader

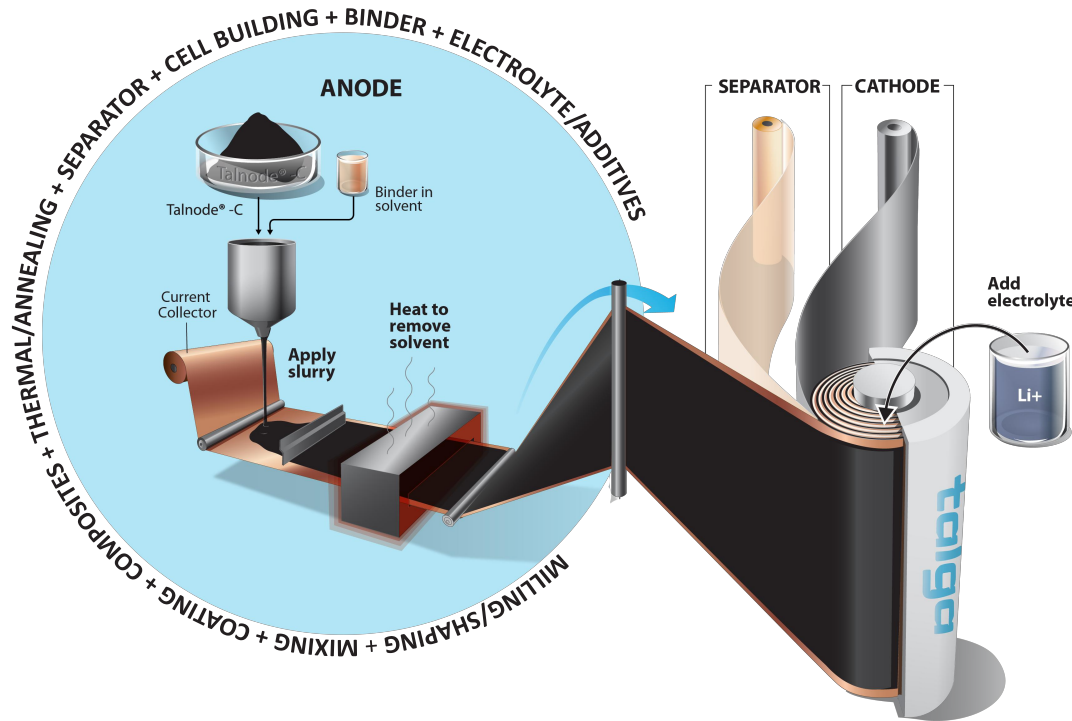
The same factors that make Talga cost competitive also drive lower emissions



SOURCE: NODE POLE, BASED ON EUROSTAT AND EEA DATA. SEE: ¹ ASX:TLG 23 MAY 2019. SOURCE: ² BENCHMARK MINERAL INTELLIGENCE PRESENTATION: 'CHINA' REFERS TO COATED NATURAL GRAPHITE ANODE PRODUCED IN CHINA, BASED ON BULK SALES AND MID-POINT AVERAGE COSTS AS OF H1 2018. ³ RECRUIT REPORT: 'SYNTHETIC' REFERS TO COATED ANODE MADE FROM SYNTHETIC GRAPHITE SOURCE e.g. NEEDLE COKE.

Graphite Anode Moat

Full in-house technology capability with 100% controlled deposit-to-product supply chain



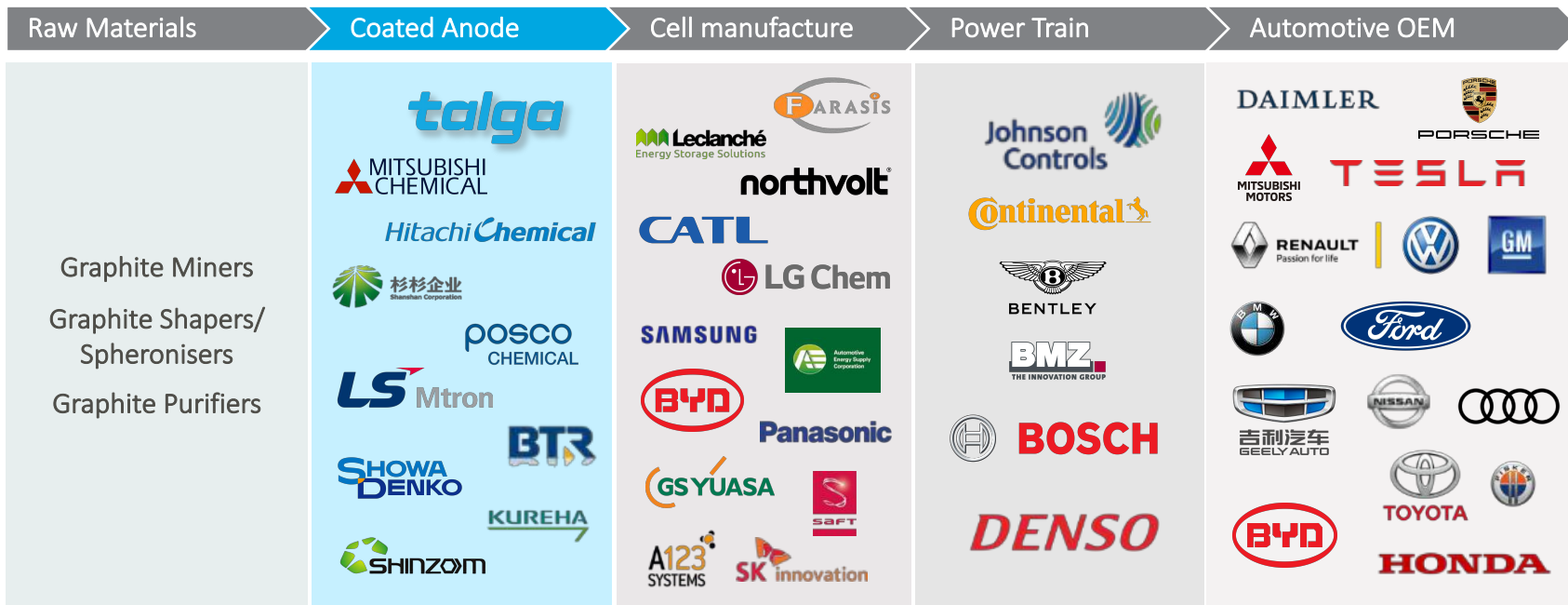
High quality production using natural graphite from unique high grade graphite resource

+ Strong processing and in-house product technology to bridge battery anode moat and enter supply chain

High barrier of entry for other new market participants

Anode Supply Chain

Talga is an integrated battery material supplier comparable to chemical providers in EV value chain



SOURCE: RECRUIT, AVICIENNE. NOTE: SELECTED LI-ION SUPPLY CHAIN COMPANIES/NOT ALL MARKET PARTICIPANTS ILLUSTRATED. THE COMPANY CAUTIONS THAT IT IS NOT PRESENTLY PARTY TO SUPPLY AGREEMENTS WITH ALL THE PARTIES NAMED ABOVE. HOWEVER, ON THE BASIS OF THE COMPANY'S ENGAGEMENTS WITH THESE OR SIMILAR PARTIES, THE COMPANY CONSIDERS THAT IT HAS A REASONABLE BASIS FOR THE VIEW THAT IT CAN FILL THIS POSITION IN THE SUPPLY CHAIN. THE COMPANY CAUTIONS INVESTORS AGAINST APPLYING UNDUE WEIGHT ON THE ABOVE.

Vittangi Roadmap

Vittangi Anode Project

Graphite Ore Reserve: 1.9Mt

Production: 19,000tpa

Planned Start: Year 2023

Niska Expansion

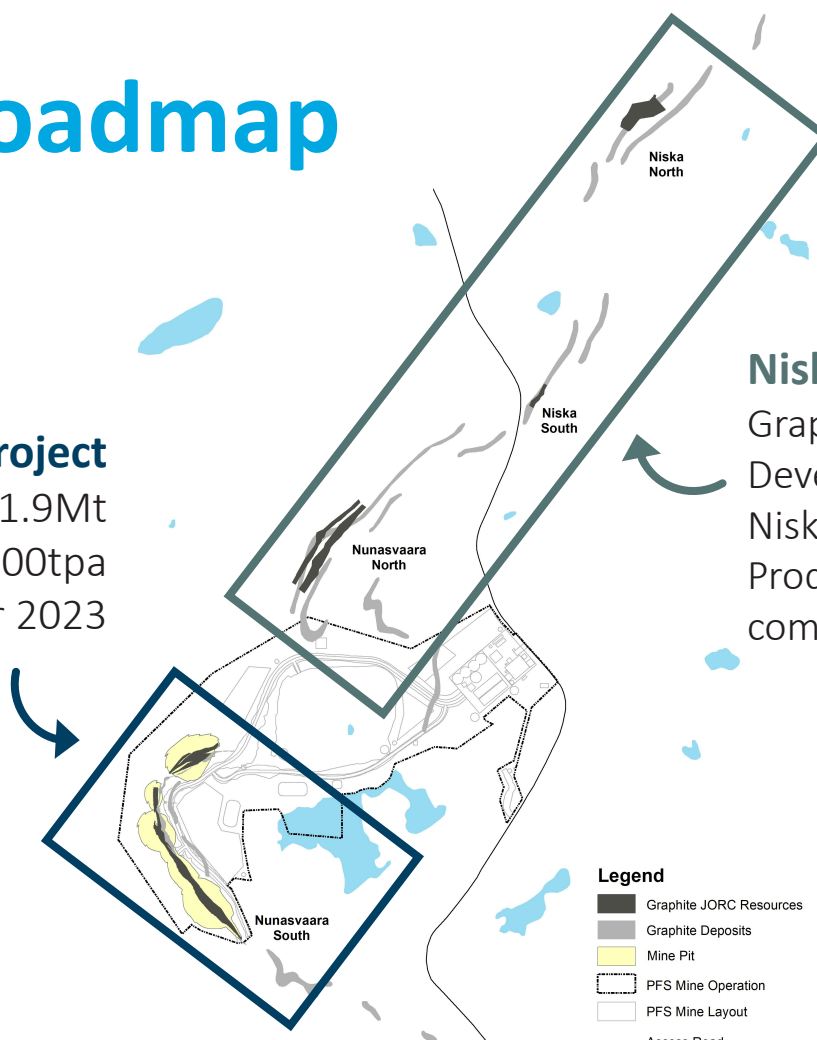
Graphite Resources: 6.5Mt

Development options being defined

Niska Scoping Study: Nov 2020

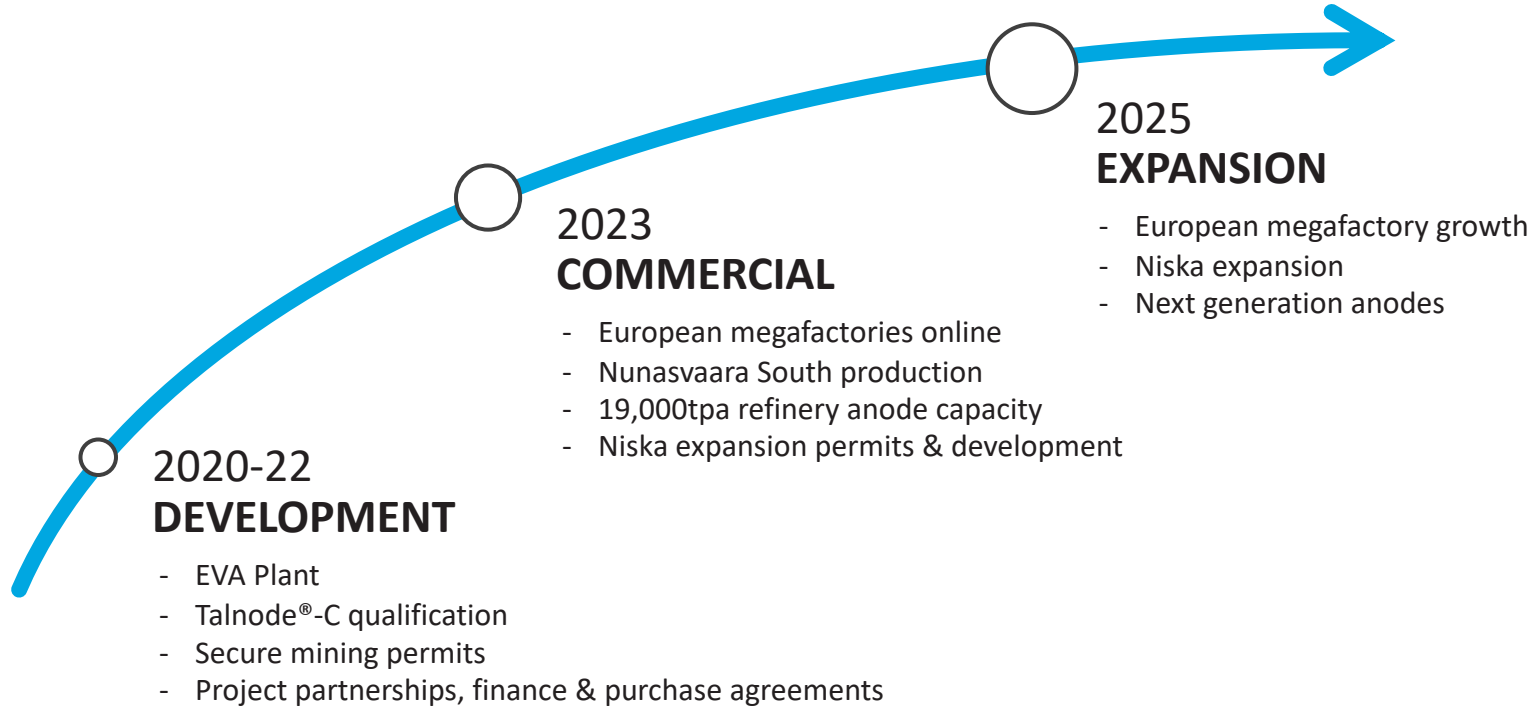
Products: Talnode-C & graphene

component of Talnode-Si



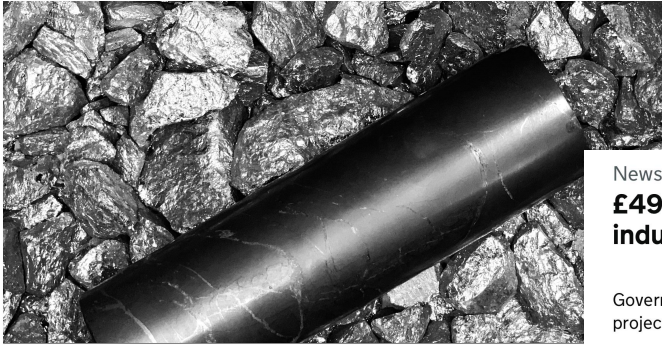
Talga Growth Strategy

Growing in line with our target market and our customers



Significant Recent Developments

LOI with LKAB & Mitsui for Swedish project development, plus UK feasibility government support



£92 million investment places automotive industry at centre of green recovery



- The Advanced Propulsion Centre (APC) welcomes £92 million commitment to 49 innovative automotive projects in the latest round of Government funding
- Funding is across three streams which includes a fast-start recovery competition and an Automotive Transformation Fund accelerating delivery on net-zero targets
- Support will accelerate decarbonisation of the automotive sector and the realisation of a net-zero ambition

News story

£49 million uplift drives automotive industry towards green future

Government awards funding to low carbon automotive projects across the UK.

Published 3 November 2020

From: [Department for Business, Energy & Industrial Strategy](#), [Department for Transport](#), [Nadhim Zahawi MP](#), and [Rachel Maclean MP](#)



PRESS RELEASE

02/11/2020

1 (2)



Talga, Mitsui and LKAB confirm intent for joint development of the Vittangi graphite mine and battery anode production

Talga, Mitsui and LKAB have signed a non-binding Letter of Intent (LOI), with the intent to jointly develop the Talga project to realisation, after delivery of a Detailed Feasibility Study in 2021.

Talga is the 100% owner of the Vittangi graphite project and proprietary technology for anode battery production. Permit applications for the graphite mine was filed in May 2020. Mitsui is one of the largest global trading and investment companies whose global headquarters are in Japan with subsidiaries globally, including Mitsui Europe.

Looking Ahead

Potential near to medium term catalysts

- ◆ Release of Niska (expansion) scoping study
- ◆ Mine and refinery Approvals
- ◆ Funding for full-scale development
- ◆ Off-take and commercial partnerships with key customers
- ◆ JVs for project development and Talnode commercialisation
- ◆ Release of Nunasvaara South DFS
- ◆ Construction of EVA plant and production scale-up
- ◆ Talnode-C and Talnode-Si UK feasibility studies



A Greener (Battery) Future

An aerial rendering of a large, modern industrial facility, likely a battery anode production plant. The building features a prominent glass-fronted entrance with the 'talga' logo illuminated in blue. The rest of the building has a dark, metallic, corrugated facade. To the left, there are large industrial tanks and pipes. A white semi-truck is driving on a road in front of the building, and a parking lot with several cars is visible to the right. The facility is surrounded by dense green trees and foliage.

Talga is building a responsible and globally competitive anode production business in Europe

Disclaimer

Talga Resources Ltd ACN 138 405 419 (the Company) is the issuer of this presentation.

Forward-looking statements

This presentation contains forward-looking statements. Those forward-looking statements reflect views held only as at the date of this presentation. Any such statement is subject to inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement, and such deviations are both normal and to be expected. Recipients must make their own assessment about the likelihood of a matter, about which a forward-looking statement is made, occurring. The Company makes no representation about the likelihood of a matter, about which a forward-looking statement is made, occurring. The Company and its directors, employees, agents, advisers and consultants: give no representation or warranty to a recipient of this presentation as to the accuracy or completeness of the statements contained in this presentation or in relation to any other matter; and to the fullest extent permitted by law, disclaim responsibility for and have no liability to a recipient of this presentation for any error or omission in or for any statement in this presentation.

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Authorisation

This presentation is authorised for release by the Board of Directors.

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GLOBAL OPERATIONS

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Talga Sweden: Storgatan 7, 972 38 Luleå, Sweden

Talga UK: The Bradfield Centre, 184 Cambridge Science Park, Cambridge CB4 0FQ, UK

Talga Germany: Prof.-Hermann-Klare-Str. 25, 07407 Rudolstadt, Germany

Talga Japan: Takatsuki, 569-1046, Osaka, Japan



Appendix

Board of Directors

Substantial commercialisation experience across resource, innovation and development projects



Terry Stinson
Non-Executive
Chairman

Over 35 years' Executive and Non-Executive Director experience, working for global innovation companies across a range of industry segments

A proven track record of forming and leading international business collaborations and joint ventures.

Formerly the CEO and Managing Director of Orbital Corporation, VP for Global Fuel Systems at Siemens AG and CEO of Synerject.

Currently the Non-Executive Chairman of Carnegie Clean Energy Limited and Non-Executive Director of Aurora Labs.



Mark Thompson
Managing Director
& Founder

Over 30 years' global experience in the mineral industry including resource project development, technology and management

Founded Talga in 2009 and listed the company on the Australia Securities Exchange in mid 2010.

A member of the Australian Institute of Geoscientists and the Society of Economic Geologists.

Previously founded and served on the Board of ASX listed Catalyst Metals Limited.



Grant Mooney
Non-Executive
Director

Strong corporate advisory background with extensive experience in equity capital markets, corporate governance and M&A transactions

A member of the Institute of Chartered Accountants in Australia.

Currently the Non-Executive Director of several ASX listed companies including Carnegie Clean Energy Limited, Aurora Labs Limited and mineral resources companies Barra Resources Limited, Riedel Resources Limited, Accelerate Resources Limited and Gibb River Diamonds Limited.



Steve Lowe
Non-Executive
Director

Strong business management and taxation background with more than 20 years' experience consulting to corporate and high wealth clients

Holds a Bachelor of Business and a Masters of Taxation from the UNSW.

A Fellow of the Taxation Institute of Australia and a member of the Australian Institute of Company Directors.

Currently a Non-Executive Director of Coziron Resources Ltd.



Ola Rinnan
Non-Executive
Director

Extensive commercialisation and leadership experience across the energy, banking and finance sectors

Has held numerous board positions for European listed companies and financial institutions including Non-Executive Directorships in Smedvig group companies and DFCU Bank.

Formerly the Chairman of Avinor AS, CEO at Eidsiva Energi AS, CEO at Norgeskreditt AS and CFO for Moelven Industrier AS.

Currently the Chairman of Nordavind DC Sites AS, Hamar Media AS, Espern Eiendom AS and Gravdahl AS.

Year In Review

- Completion of strongly supported Share Purchase Plan ([13 December 2019](#))
- Second commercial scale graphene coating trial ([17 December 2019](#))
- Successful 60 tonne pilot flotation program ([30 January 2020](#))
- Environmental approval received for Talga trial mine ([3 March 2020](#))
- Talga & Mitsui execute MOU for joint anode project development ([20 March 2020](#))
- Talga COVID-19 operational update ([2 April 2020](#))
- Talga in Innovate UK electric drive project for Bentley Motors E-Axle ([13 May 2020](#))
- Battery anode agreement with Farasis Energy ([27 May 2020](#))

Year In Review

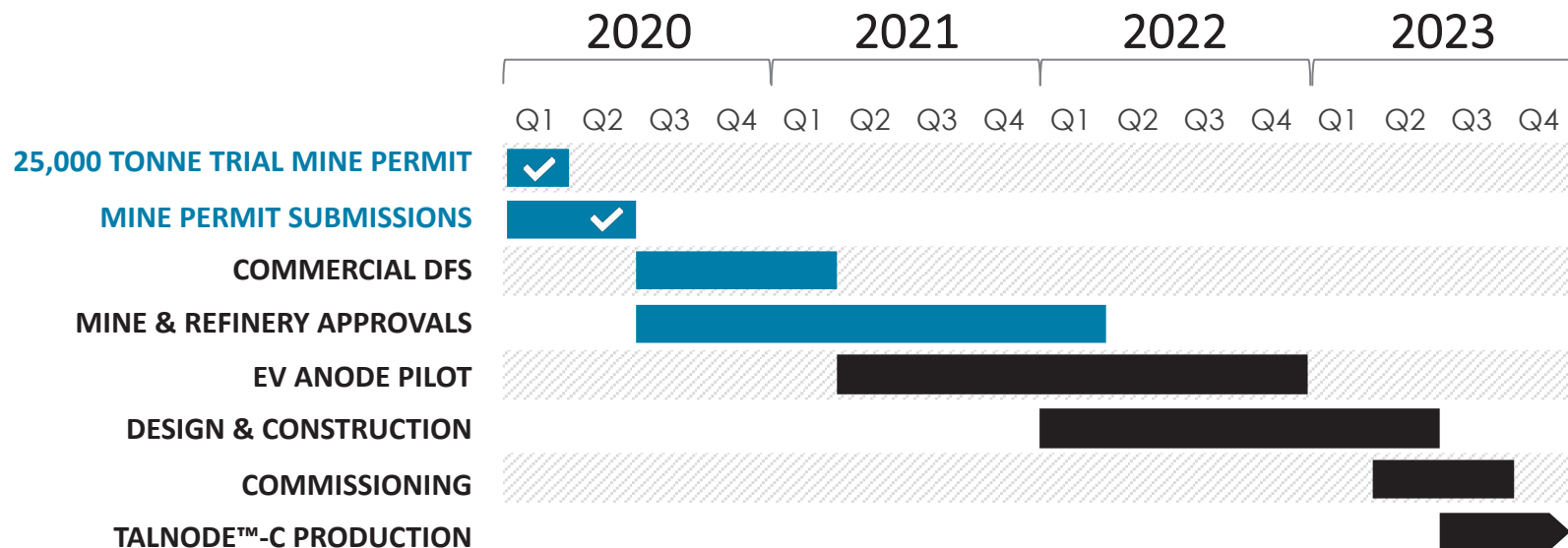
- › Vittangi project supported by Swedish National Interest demarcation ([18 June 2020](#))
- › Talga looks to expand battery anode production capacity ([24 June 2020](#))
- › Talga Board changes ([17 July 2020](#))
- › Outstanding feasibility work and studies results ([5 August 2020](#))
- › A\$10M institutional placement strengthens balance sheet ([20 August 2020](#))
- › Sale of Western Australian gold royalties ([28 August 2020](#))
- › Talga boosts European natural graphite resources ([17 September 2020](#))
- › Talga fast-tracks mass-producible silicon anode product ([14 October 2020](#))

Year In Review

- ▶ Talga appoints CEO of European operations ([19 October 2020](#))
- ▶ LKAB, Mitsui & Talga confirm intent to jointly develop anode project ([2 November 2020](#))
- ▶ Government supports Talga UK anode refinery study ([4 November 2020](#))
- ▶ Talga silicon anode receives UK Government support ([4 November 2020](#))

Project Development Timeline

Trial mine approved and full scale mining applications submitted for 2023 production



PFS Key Outcomes

Confirms technically and financially robust project

PARAMETER	UNITS	OUTCOME
Annual ore mining rate	tonnes	100,000
Average annual production of Talnode®-C	tonnes	19,000
Life of Mine (LOM)	years	22
Pre-tax NPV ₈ (real)	\$M	\$1,056
Pre-tax IRR	%	55%
Capex	\$M	\$174
Payback	years	1.5
Talnode®-C average price	\$/t product	\$11,250
Revenue (LOM)	\$M	\$4,148
Cash cost of production of Talnode®-C	\$/t product	\$1,852
EBITDA (LOM)	\$M	\$3,254
Net profit before tax (LOM)	\$M	\$3,133

NOTE: PFS STUDY DETAILS FOR THE VITTANGI GRAPHITE PROJECT, ESTIMATED KEY ECONOMIC OUTCOMES ALL IN USD. TALNODE®-C PRICE BASED ON BENCHMARK ASSESSMENT REPORT. SEE: ASX:TLG 23 MAY 2019 and 5 AUGUST 2020. NOTE: TALGA CONFIRMS ALL MATERIAL ASSUMPTIONS UNDERPINNING THE PRODUCTION TARGET AND CORRESPONDING FINANCIAL INFORMATION CONTINUE TO APPLY AND HAVE NOT MATERIALLY CHANGED AS PER LISTING RULE 5.19.2

JORC Graphite Reserve & Resources

Ore Reserve ^{3, 6}	Tonnes	Graphite (% Cg)
Nunasvaara (JORC 2012)	1,935,000	23.5
Proven	0	0
Probable	1,935,000	23.5

Mineral Resources ^{1, 2, 4, 5, 7, 8, 9}	Tonnes	Graphite (% Cg)
Vittangi Nunasvaara (JORC 2012)	14,900,000	23.4
Indicated	10,400,000	25.6
Inferred	4,500,000	18.3
Vittangi Niska (JORC 2012)	4,600,000	25.8
Indicated	4,600,000	25.8
Jalkunen (JORC 2012)	31,500,000	14.9
Inferred	31,500,000	14.9
Raitajärvi (JORC 2004)	4,300,000	7.1
Indicated	3,400,000	7.3
Inferred	900,000	6.4
Total Mineral Resources	55,300,000	17.5

NOTE: ¹ MINERAL RESOURCES ARE INCLUSIVE OF ORE RESERVES.

² MINERAL RESOURCES ARE REPORTED AT VARIOUS CUT OFF GRADES: NUNASVAARA AND NISKA 10%Cg, JALKUNEN 5%Cg AND RAITAJÄRVI 5%Cg.

³ ORE RESERVE IS REPORTED AT A CUT OFF GRADE OF 12%Cg.

⁴ ERRORS MAY EXIST DUE TO ROUNDING.

Competent Person Statements

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 first 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 Nunasvaara Ore Reserve statement was first reported in the Company's announcement dated 23 May 2019 titled 'Outstanding PFS results support Vittangi graphite development'. 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 Reserve estimate in the previous market announcement continue to apply and have not materially changed.

The Jalkunen Mineral Resource estimate was first reported in the Company's announcement dated 27 August 2015 titled 'Talga Trebles Total Graphite Resource to Global Scale'. 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 Raitajärvi Mineral Resource estimate was first reported in the Company's announcement dated 26 August 2013 titled '500% Increase to 307,300 Tonnes Contained Graphite in New Resource Upgrade for Talga's Swedish Project'. 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 presentation in accordance with Listing Rules 5.16 and 5.17 in its announcement titled 'Outstanding PFS results support Vittangi graphite development' dated 23 May 2019. 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.