



Half Year Report

31 December 2022

Talga Group Ltd and Controlled Entities

ABN: 32 138 405 419

Table of Contents

Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Condensed Notes to the Consolidated Financial Statements	12
Directors' Declaration	20
Independent Auditor's Review Report	21

Corporate Directory

Directors

Terry Stinson (Chair)
Mark Thompson (Managing Director)
Grant Mooney (Non-Executive Director)
Stephen Lowe (Non-Executive Director)
Ola Rinnan (Non-Executive Director)

Company Secretary

Dean Scarparolo

Registered Office and Principal Place of Business

Suite 3.03, Level 3
46 Colin Street
West Perth WA 6005
Phone: +61 (0) 8 9481 6667

Email and website

Email: info@talgagroup.com
Website: www.talgagroup.com

ABN

32 138 405 419

Securities Exchange Listing

The Company is listed on the Australian Securities Exchange Limited
Home Exchange: Perth
ASX Codes: TLG (shares)

Share Registry

Automatic Group
Level 5
191 St Georges Terrace
Perth WA 6000

Auditors

Stantons
Level 2
40 Kings Park Road
West Perth WA 6005

Directors' Report

The Directors present their report on the consolidated entity comprising Talga Group Ltd ("Company") and its controlled entities ("Group" or "Consolidated Entities") for the half-year ended 31 December 2022.

Board of Directors

The names of the Talga Group Ltd directors in office during or since the end of the half-year period are as follows. Directors were in office for this entire period unless otherwise noted.

Directors	Position
Terry Stinson	Non-Executive Chair
Mark Thompson	Managing Director
Grant Mooney	Non-Executive Director
Stephen Lowe	Non-Executive Director
Ola Rinnan	Non-Executive Director

Review of Operations

During the period the Group continued to progress commercial, product, technology and mineral development towards establishing a European source of sustainable battery and advanced materials.

Highlights of the period included:

Commercial and Finance

Vittangi Anode Project development progressed with advancement of commercial and financing discussions:

- European battery maker ACC and Talga signed a non-binding offtake for supply of Talnode®-C;
- Representatives from government and commercial green development banks completed a two-day site visit as part of ongoing due diligence into Vittangi Anode Project financing;
- European Investment Bank advanced the Vittangi Anode Project through its preliminary screening for debt financing, with potential commitment of up to EUR300m; and
- Letter of Interest received to support financing of construction from the Swedish Export Credit Corporation.

Product and Technology Development

Positive developments across the Group's battery and advanced materials product and technology portfolio:

- Permitting for Talga's 19,500tpa Luleå anode refinery progressed in the Swedish Land and Environment Court;
- Talga's Electric Vehicle Anode qualification plant in Luleå, northern Sweden, achieved ISO 14001 accreditation; and
- Talnode®-Si achieved Tier-1 automotive and battery customer performance targets.

Mineral Project Development

Mineral project development and exploration activities completed to support expansion pathways to meet increased battery anode demand:

- The Land and Environment Court scheduled the hearing for the Company's Vittangi Graphite Project mine environmental permit for Q1 2023. The hearing concluded as planned subsequent to the period; and
- Drilling uncovered high grade graphite in "Niska Link", underpinning future Mineral Resource estimate upgrade.

Corporate

Strategic corporate and commercial development activities to establish a vertically integrated sustainable battery and advanced materials business;

- A\$32 million raised via institutional placement and Share Purchase Plan; and
- Expansion of Talga Stockholm office with Swedish leadership team appointments.

Planned Activities Post the Period

Planned 2023 key activities include:

- Completion of Vittangi Anode Project finance due diligence in preparation of project FID;
- Advancing commercial agreements for Talnode®-C including finalisation of binding term sheets and offtakes;
- Expansion of German Talnode®-Si pilot plant and progression of commercial negotiations;
- Further development and commercialisation of Talga's next generation battery materials technology and product portfolio; and
- Development of strategy for expansion pathway beyond the 100,000tpa anode production outlined under the Vittangi Anode Project DFS and Niska Expansion Scoping Study.

Subsequent Events

Subsequent to the period Talga completed a successful institutional placement to raise A\$40 million, from the issue of 25,806,452 million new fully paid ordinary Talga shares, to fund Vittangi Anode Project early works, scaled up EVA production, silicon anode scale-up, and general working capital (ASX:TLG 23 February 2023).

There has not been any other matter or circumstance occurring subsequent to the end of the period that has significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Financial Performance & Financial Position

The financial results of the Group for the half-year ended 31 December 2022 are:

	31 December 2022	30 June 2022
Cash and cash equivalents (\$)	23,265,553	13,012,565
Net assets (\$)	38,575,420	26,647,577

	31 December 2022	31 December 2021
Income(\$)	446,416	327,800
Loss for the period	(22,245,495)	(19,825,189)
Loss per share (cents per share)	(7.02)	(6.5)
Dividend (\$)	-	-

Dividends

No dividend has been paid during or is recommended for the half-year ended 31 December 2022.

Auditor's Independence Declaration

The auditor's independence declaration for the half-year ended 31 December 2022 has been received and immediately follows the Directors' Report.

This report has been made in accordance with a resolution of the Board of Directors.



Mark Thompson
 Managing Director
 Perth, Western Australia
 16 March 2023



PO Box 1908
West Perth WA 6872
Australia
Level 2, 40 Kings Park Road
West Perth WA 6005
Australia
Tel: +61 8 9481 3188
Fax: +61 8 9321 1204
ABN: 84 144 581 519
www.stantons.com.au

16 March 2023

Board of Directors
Talga Group Ltd
Suite 3.03, Level 3,
46 Colin Street
WEST PERTH WA 6005

Dear Sirs

RE: TALGA GROUP LTD

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Talga Group Ltd.

As Audit Director for the review of the financial statements of Talga Group Ltd for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

A handwritten signature in black ink, appearing to read "Samir Tirodkar", written over a horizontal line.

Samir Tirodkar
Director

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	31 December 2022 \$	31 December 2021 \$
Revenues from ordinary activities	3	100,937	3,972
Other Income	3	345,479	323,828
Expenses			
Exploration and evaluation expenditure		(547,717)	(661,025)
Operations - test facility & product development		(3,089,846)	(2,052,729)
Employee benefits expenses and director's fees		(1,925,898)	(1,992,844)
Exploitation and development costs Sweden		(1,945,734)	(8,601,429)
Mining		(2,858,929)	-
Anode Production		(3,974,619)	-
Administration expenses		(1,483,323)	(690,708)
Compliance and regulatory expenses		(2,501,375)	(543,714)
Depreciation expense	6	(1,223,379)	(332,204)
Share based payments	4	(2,910,694)	(5,123,839)
FX gain / (loss) realised		(230,397)	(111,221)
Acquisition costs write off		-	(43,276)
(Loss) before income tax expense		(22,245,495)	(19,825,189)
Income tax expense		-	-
Net (loss) attributable to members of the parent entity		(22,245,495)	(19,825,189)
Other comprehensive income / (loss):			
Items that will not be reclassified to profit or loss		-	(18,657)
Items that may be reclassified subsequently to profit or loss		-	-
Exchange differences on translating foreign operations	4	220,222	(183,795)
Total other comprehensive (loss)/income		220,222	(202,452)
Total comprehensive (loss) for the period		(22,025,273)	(20,027,641)
Total comprehensive (loss) attributable to members of the parent entity		(22,025,273)	(20,027,641)
Basic loss per share (cents per share)	5	(7.02)	(6.5)
Diluted loss per share (cents per share)	5	(7.02)	(6.5)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

		31 December 2022	30 June 2022
	Note	\$	\$
Current Assets			
Cash and cash equivalents		23,265,553	13,012,565
Trade and other receivables		2,162,402	1,517,074
Financial Assets		102,909	-
Prepayments		1,157,563	858,892
Total Current Assets		26,688,427	15,388,531
Non-Current Assets			
Other receivables		423,802	444,077
Property, plant and equipment	6	18,484,904	16,920,764
Exploration and evaluation expenditure		362,576	397,970
Total Non-Current Assets		19,271,282	17,762,811
TOTAL ASSETS		45,959,709	33,151,342
Current Liabilities			
Lease liabilities	6	768,380	574,417
Trade and other payables		4,445,649	4,024,562
Provisions		842,254	783,731
Total Current Liabilities		6,056,283	5,382,710
Non-Current Liabilities			
Lease liabilities	6	1,328,006	1,121,055
Total Non-Current Liabilities		1,328,006	1,121,055
TOTAL LIABILITIES		7,384,289	6,503,765
NET ASSETS		38,575,420	26,647,577
Equity			
Issued capital	7	164,514,948	133,472,526
Reserves	4	19,279,118	16,148,202
Accumulated losses		(145,218,646)	(122,973,151)
TOTAL EQUITY		38,575,420	26,647,577

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total \$
Balances at 1 July 2021	130,184,218	(86,173,831)	11,086,685	55,097,072
Comprehensive income:				
Loss after income tax for the period	-	(19,825,189)	-	(19,825,189)
Fair value adjustment in relation to financial assets at FVTOCI	-	-	(18,657)	(18,657)
Other comprehensive loss for the period	-	-	(183,795)	(183,795)
Total comprehensive (loss) for the period	-	(19,825,189)	(202,452)	(20,027,641)
Transactions with owners in their capacity as owners:				
Issue of shares	-	-	-	-
Capital raising costs	-	-	-	-
Share based compensation	2,952,003	-	2,171,836	5,123,839
At 31 December 2021	133,136,221	(105,999,020)	13,056,069	40,193,270

	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total \$
Balances at 1 July 2022	133,472,526	(122,973,151)	16,148,202	26,647,577
Comprehensive income:				
Loss after income tax for the period	-	(22,245,495)	-	(22,245,495)
Other comprehensive loss for the period	-	-	220,222	220,222
Total comprehensive (loss) for the period	-	(22,245,495)	220,222	(22,025,273)
Transactions with owners in their capacity as owners:				
Issue of shares	32,110,000	-	-	32,110,000
Capital raising costs	(1,261,578)	-	-	(1,261,578)
Share based compensation	194,000	-	2,910,694	3,104,694
At 31 December 2022	164,514,948	(145,218,646)	19,279,118	38,575,420

Consolidated Statement of Cash Flows

	31 December 2022 \$	31 December 2021 \$
Cash Flows from Operating Activities		
Receipts from customers	46,324	62,904
Payments for exploration evaluation and exploitation	(5,350,060)	(9,054,726)
Payment for mining	(2,858,929)	-
Payment for anode production	(2,234,946)	-
Payments to suppliers, contractors and employees	(4,600,649)	(5,423,483)
German & UK operations including R&D	(2,897,511)	(1,338,643)
Interest received	111,563	43,443
Proceeds other - grants	387,761	1,809,433
Net cash outflows from operating activities	(17,396,447)	(13,901,072)
Cash Flows from Investing Activities		
Purchase of plant and equipment	(2,848,169)	(7,084,175)
Proceeds other - sale of investments	-	566,343
Payment other - Security Bonds	20,900	(28,844)
Net cash outflows from investing activities	(2,827,269)	(6,546,676)
Cash Flows from Financing Activities		
Proceeds from issue of securities	7 32,109,678	-
Payment for costs of issue of securities	(1,223,809)	(20,018)
Lease Payments	6 (409,165)	(223,398)
Net cash outflows from financing activities	30,476,704	(243,416)
Net increase/(decrease) in cash and cash equivalents	10,252,988	(20,691,164)
Cash and cash equivalents at the beginning of the financial period	13,012,565	52,497,518
Cash and cash equivalents at the end of the financial period	23,265,553	31,806,354

During the period the company issued 162,343 shares through cashless exercise mechanism. There were no non-cash investing activities.

Payments to suppliers, contractors and employees excludes payments for exploration, evaluation and exploitation, payments for mining and payments for anode production

Condensed Notes to the Consolidated Financial Statements

1. Corporate Information

The financial report for the parent Talga Group Ltd and its Controlled Entities, (The “Group” or Consolidated Entity) for the half-year ended 31 December 2022 was authorised for issue in accordance with a resolution of the directors on 16 March 2023. Talga Group Ltd is a limited company incorporated in Australia and its shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described on page 4 to 5 of the Directors Report.

2. Statement Of Significant Accounting Policies

a) Statement of compliance and basis of accounting

The half-year financial report is a general purpose financial statement, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 “Interim Financial Reporting” and other mandatory professional reporting requirements.

The half-year financial report has been prepared on a historical cost basis, except where applicable for financial assets that have been measured at fair value. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period. All amounts are presented in Australian dollars.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of Talga Group Ltd as at 30 June 2022.

It is also recommended that the half-year financial report be considered together with any public announcements made by Talga Group Ltd during the half-year ended 31 December 2022 in accordance with the continuous disclosure obligations arising under the Australian Securities Exchange.

b) Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company’s 2022 annual financial report for the financial year ended 30 June 2022, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

c) New and Revised Accounting Requirements Applicable to the Current Half-Year Reporting Period

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period. The application of the new and revised Accounting Standards and Interpretation does not have a material impact on the Group Financial Statements.

d) New and Amended Standards for Application in Future Periods

Certain new Accounting Standards and interpretations have been issued by the Australian Accounting Standards Board (AASB) that are not mandatory for the 31 December 2022 reporting period and have not been early adopted by the Group. These Standards are not expected to have a material impact on the Group in the current or future reporting period.

3. Revenue And Other Income

	31 December 2022 \$	31 December 2021 \$
Revenue from ordinary activities	100,937	3,972
Other Income		
Interest revenue	111,917	43,443
Government Grants	233,562	280,385
Subtotal for Other income	345,479	323,828
Total revenue and other income	446,416	327,800

4. Reserves

	31 December 2022 \$	30 June 2022 \$
(a) LISTED OPTION RESERVE		
Balance 30 June 2022	843,939	861,107
Movement during the period	-	(17,168)
Balance at the end of the period	843,939	843,939
	31 December 2022 \$	30 June 2022 \$
(b) UNLISTED OPTION and PERFORMANCE RIGHTS RESERVE		
Balance at the start of the financial year	14,483,975	10,333,865
Share based payment for options and performance rights	2,910,694	4,150,110
Balance at the end of the period	17,394,669	14,483,975

The option reserve records funds received for options issued and items recognised as expenses on valuation of share options issued. The option reserve is also used to recognise the fair value of Management Incentive Plan Shares issued with an attaching limited recourse employee loan which for accounting purposes are treated as options. The Option Reserve also records the share based payment expense relating to the performance rights issued to employees, directors and consultants.

The share based payments in the Statement of Profit or Loss of \$2,910,694 is comprised of expenses related to share options and performance rights of \$2,716,694 and the cashless exercise of options \$194,000.

At the reporting date the Group had 7,500,000 unlisted options and 4,600,000 performance rights outstanding

	31 December 2022 \$	30 June 2022 \$
(c) FOREIGN CURRENCY RESERVE		
Balance at the beginning of the period	838,945	(143,285)
Movement during the period	220,222	982,230
Balance at the end of the period	1,059,167	838,945
	31 December 2022 \$	30 June 2022 \$
(d) FINANCIAL ASSET RESERVE		
Balance at the beginning of the period	(18,657)	35,000
Movement during the period		(53,657)
Balance at the end of the period	(18,657)	(18,657)
	19,279,118	16,148,202

5. Loss Per Share

	31 December 2022 \$	31 December 2021 \$
Net loss after income tax attributable to members of the Group	(22,245,495)	(19,825,189)
	Number	Number
Weighted average number of shares on issue during the financial period used in the calculation of basic loss per share	316,784,034	303,641,807

This calculation does not include shares under option that could potentially dilute basic earnings per share in the future as the Group has incurred a loss for the period. The performance rights outstanding at 31 December 2022 of 4,600,000 will increase the weighted average number of shares on issue.

6. Property, Plant And Equipment

	31 December 2022	30 June 2022
	\$	\$
(a) Property, plant and equipment		
Plant and equipment at cost	21,384,026	4,087,570
Less: accumulated depreciation	(2,899,122)	(1,621,267)
Total plant and equipment	18,484,904	2,466,303
Plant and equipment balance at the beginning of the financial year	2,466,303	3,408,450
Additions	580,626	679,120
Disposal	-	(1,122,874)
Depreciation expense	(830,996)	(618,927)
Effect of foreign currency exchange differences	(88,272)	120,534
Balance at the end of the period	2,127,661	2,466,303
Construction in progress	31 December 2022	30 June 2022
	\$	\$
Balance at the beginning of the financial year	12,711,280	962,225
Additions	1,617,705	11,749,055
Balance at the end of the financial year	14,328,985	12,711,280
Right of Use Assets (ROU)		
Right of Use Assets at cost	3,113,116	2,434,877
Less accum depreciation	(1,084,858)	(691,696)
Balance at end of Period	2,028,258	1,743,181
Right of Use Assets at cost		
Cost / initial recognition	2,434,877	813,903
Termination of contract	-	(30,680)
Recognition of contract	713,720	1,574,862
Other adjustments	(8,608)	(11,067)
Exchange difference	(26,873)	87,859
Balance at end	3,113,116	2,434,877
Right of Use Assets accum depreciation	(691,696)	(417,155)
Termination of contract	-	30,680
Depreciation expense for the period	(392,383)	(356,725)
Exchange difference	(779)	51,504
Balance at end	(1,084,858)	(691,696)
Balance of Right of Use Assets	2,028,258	1,743,181
Total property, plant and equipment	18,484,904	16,920,764

Liabilities at the end of period in the relation to right of use assets are:

Current Lease Liability	768,380	574,417
Non-Current Lease Liability	1,328,006	1,121,055

Amounts recognised in statement of profit or loss for the period in the relation to right of use assets and lease liabilities are:

Depreciation Right of Use Assets	392,383	546,947
Interest Expenses	33,509	40,325

The lease payments totalling \$409,165 during the period are recorded in the statement of cashflow.

7. Issued Capital**Issued and Fully Paid**

	31 December 2022 Number	31 December 2022 \$	30 June 2022 Number	30 June 2022 \$
Fully Paid Ordinary Shares	334,327,720	164,514,948	304,974,519	133,472,526

Movement Reconciliation

ORDINARY SHARES	Date	Quantity	Issue Price \$	\$
Balance 30 June 2022		304,974,519		133,472,526
Placement	13/10/2022	20,100,000	1.100	22,110,000
Exercise of unlisted cashless options	21/10/2022	162,343	1.195	194,000
Placement	28/10/2022	9,090,858	1.100	10,000,000
Less transaction costs				(1,261,578)
Balance 31 December 2022		334,327,720		164,514,948

(i) These options were exercised through the cashless mechanism.

8. Segment Information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The term 'chief operating decision maker' identifies a function, not necessarily a manager with a specific title. That function is to allocate resources to and assess the performance of the operating segments of an entity. The Company's Board is the chief operating decision maker as it relates to segment reporting.

The Group has three operating and four geographical segments, being exploration and development (battery anode materials) in Sweden and graphite/graphene research and development in Germany and the United Kingdom as well as Group corporate activities in Australia. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

Condensed Notes to the Consolidated Financial Statements

(i) Segment Performance

	Sweden	Germany	UK	Australia	Total
Half-year ended	\$	\$	\$	\$	\$
31 December 2022					
Revenues from ordinary activities	99,757	-	-	1,180	100,937
Other income	125,357	51,176	57,383	111,563	345,479
Total segment revenue	225,114	51,176	57,383	112,743	446,416
Segment expense (including write offs)	(11,945,736)	(1,386,126)	(1,761,198)	(7,598,851)	(22,691,911)
Reconciliation of segment result to net loss before tax					
Segment Result					(22,245,495)
Unallocated items:					-
Net loss before tax from continuing operations					(22,245,495)
	Sweden	Germany	UK	Australia	Total
Half-year ended	\$	\$	\$	\$	\$
31 December 2021					
Revenues from ordinary activities	3,972	-	-	-	3,972
Other income	-	-	279,894	43,934	323,828
Total segment revenue	3,972	-	279,894	43,934	327,800
Segment expense (including write offs)	(9,601,698)	(934,535)	(1,288,996)	(8,327,760)	(20,152,989)
Reconciliation of segment result to net loss before tax					(19,825,189)
Unallocated items:					-
Net loss before tax from continuing operations					(19,825,189)

Condensed Notes to the Consolidated Financial Statements

(ii) Segment Assets

	Sweden	Germany	UK	Australia	Total
	\$	\$	\$	\$	\$
As at 31 December 2022					
Segment assets as at 1 July 2022	12,678,643	2,206,937	5,946,185	12,319,577	33,151,342
Segment asset period increases/(decreases):					
- Cash and cash equivalents	185,614	(61,370)	(472,696)	10,601,440	10,252,988
- Property, plant and equipment (including ROU assets)	756,317	446,310	116,981	244,532	1,564,140
- Exploration and evaluation	(35,394)	-	-	-	(35,394)
- Trade and other receivables and prepayments	(15,329,938)	(1,658,447)	(2,536,271)	20,448,380	923,724
- Financial assets				102,909	102,909
	(1,744,758)	933,430	3,054,199	43,716,838	45,959,709

Reconciliation of segment assets to total assets

-

Total assets from continuing operations

45,959,709

	Sweden	Germany	UK	Australia	Total
	\$	\$	\$	\$	\$
As at 30 June 2022					
Segment assets as at 1 July 2022	2,589,774	2,880,019	2,665,059	52,831,646	60,966,498
Segment asset period increases/(decreases)					
- Cash and cash equivalents	266,789	82,422	420,701	(40,254,865)	(39,484,953)
- Funding grant receivable	(704,701)	(276,666)	640,157	(865,509)	(1,206,719)
- Financial Assets	-	-	-	(585,000)	(585,000)
- Plant and equipment	10,078,879	(429,152)	1,830,025	673,589	12,153,341
- Exploration and evaluation expenditure	132,170	-	-	-	132,170
- Other	315,732	(49,686)	390,243	519,716	1,176,005
	12,678,643	2,206,937	5,946,185	12,319,577	33,151,342

Reconciliation of segment assets to total assets

-

Total assets from continuing operations

33,151,342

Condensed Notes to the Consolidated Financial Statements

(iii) Segment Liabilities	Sweden \$	Germany \$	UK \$	Australia \$	Total \$
As at 31 December 2022					
Segment liabilities as at 31 December 2022	3,556,733	810,105	1,356,452	1,660,999	7,384,289
Reconciliation of segment liabilities to total liabilities					
Total liabilities from continuing operations					7,384,289
	Sweden	Germany	UK	Australia	Total
	\$	\$	\$	\$	\$
As at 30 June 2022					
Segment liabilities as at 30 June 2022	2,770,883	452,486	1,839,804	1,440,592	6,503,765
Reconciliation of segment liabilities to total liabilities					-
Total liabilities from continuing operations					6,503,765

9. Subsequent Events

Subsequent to the period Talga completed a successful institutional placement to raise A\$40 million, from the issue of 25,806,452 million new fully paid ordinary Talga shares, to fund Vittangi Anode Project early works, scaled up EVA production, silicon anode scale-up, and general working capital (ASX:TLG 23 February 2023).

There has not been any other matter or circumstance occurring subsequent to the end of the period that has significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

10. Contingent Assets And Liabilities

There were no contingent assets or contingent liabilities as at 31 December 2022.

The Board has assessed the operations and is satisfied there is no environmental liability or rehabilitation bond requirement in relation to the environmental permit.

Directors' Declaration

In accordance with a resolution of the directors of Talga Group Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes as set out on pages 8 to 19 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2022 and of the performance for the half-year ended on that date of the Consolidated Entity; and
 - (ii) complying with Accounting Standards AASB 134: "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board



Mark Thompson
Managing Director
Perth, Western Australia
16 March 2023

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
TALGA GROUP LTD**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Talga Group Ltd, which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Talga Group Ltd does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 16 March 2023.

Responsibility of the Directors for the Financial Report

The directors of Talga Group Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd
Samir

Samir Tirodkar
Director

West Perth, Western Australia
16 March 2023