

Talga Achieves Anode Project Milestones

Battery materials and technology company Talga Group Ltd (“Talga” or “the Company”) (ASX:TLG) is pleased to provide an update on the construction and financing of the Vittangi Anode Project, Talga’s integrated graphite mine and anode refinery operation in northern Sweden.

On Monday 11 September, Talga commenced early works and construction of its 19,500 tonne per annum graphite anode refinery in a groundbreaking ceremony in Luleå, Sweden. The refinery is projected to be the first commercial anode production in Europe for electric vehicle Li-ion batteries.

The ceremony was attended by government representatives including the Minister for Employment and Integration, Johan Pehrson; Mayor of Luleå, Carina Sammeli; Governor of Norrbotten County, Lotta Finstorp; Talga customers; partners; and staff.

Luleå was selected due to its proximity to Talga’s natural graphite resources and access to low-cost renewable electricity, road-rail-ship transport hub, advanced local economy and skilled workforce.

Stage one refinery groundworks will be completed by local contractor NYAB. The initial work plan includes fencing, site clearance, earthworks, excavation, underground utilities, backfill/road cover and drainage. Talga and NYAB’s agreement includes an option, intended to be exercised no later than Q2 2024, to recommence in European spring to complete detailed infrastructure and groundworks.

Talga Managing Director, Mark Thompson, commented: *“As we break ground at our Swedish anode refinery, we mark a major milestone in Talga’s journey to build Europe’s first domestic supply of sustainable graphite anode for EV batteries. I am immensely proud of the global Talga team and our joint achievements as we progress towards becoming a leading producer of Li-ion battery materials with high ESG standards. I thank our stakeholders and the Luleå community for their support.”*

Figure 1 Groundbreaking at Talga’s Luleå Anode Refinery. Left to right: Talga Europe CEO Martin Phillips; Talga Chief Financial Officer, Melissa Roberts; Mayor of Luleå, Carina Sammeli; Governor of Norrbotten, Lotta Finstorp; Talga Managing Director, Mark Thompson; and Minister for Employment and Integration, Johan Pehrson.



Figure 2 Talga Europe CEO, Martin Phillips, giving a speech in front of invited stakeholders, customers, partners, media and staff (L) and Talga Managing Director, Mark Thompson, preparing to 'turn the first sod' (R).



Financing consortium selected

Following expressions of interest exceeding its debt target, Talga has completed selection of the banking consortium to provide all of the debt funding for the Vittangi Anode Project.

In addition to the European Investment Bank (ASX:TLG 20 June 2023), the consortium comprises multiple government-owned export credit agencies and European commercial banks with strong credentials in the energy transition and mining sectors.

Talga's strategic selection of financiers is a key step in delivering the Project financing and follows an extensive process that included comprehensive independent market, technical, financial, and environmental due diligence reports. The independent due diligence investigation was undertaken by a number of leading consultancy groups acting for the financiers.

Finalisation of Project debt facilities with the selected banking consortium remains subject to finalisation of approvals, completion of remaining due diligence and execution of definitive debt facility documentation, which are expected to include customary project financing terms and conditions. Drawdowns under the facility would be subject to customary conditions precedent. Customer negotiations to allocate supply and underpin debt financing agreements are progressing.

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 materials supply chain to offer products critical to the green transition. Talga's innovative technology and vertical integration of 100% owned Swedish graphite resources provides security of supply and creates additional value for stakeholders.

Website: www.talgagroup.com

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