

Placement and Share Purchase Plan to Advance Lithium-ion Anode Strategy

- **Oversubscribed A\$3.25 million placement to existing and new institutional investors**
- **Share Purchase Plan to existing shareholders to raise up to an additional A\$3.0 million**
- **Proceeds will be used towards scale up of Talga's Talnode®-C anode market sample production, Vittangi Project Stage 1 DFS and advancing Talga's north Sweden projects**

Advanced battery anode materials and graphene additives provider Talga Resources Ltd ("Talga" or "the Company") (ASX:TLG) is pleased to announce a funding initiative to raise gross proceeds of up to A\$6.25 million (before costs) towards funding the last stage of development prior to planned Stage 1 financing of the Vittangi Graphite Anode Project.

Use of funds includes scale up of Talnode®-C for customer qualification, progressing the Vittangi Graphite Anode Project Stage 1 DFS, advancing Talga's north Sweden projects for battery anode products and graphene additives, and general working capital.

The capital raising comprises a A\$3.25 million placement to targeted institutional and sophisticated investors at a price of A\$0.44 per share ("**Placement**") and a Share Purchase Plan ("**SPP**") to existing Talga shareholders for up to a further \$3.0 million, at the same price as the Placement.

Canaccord Genuity (Australia) Limited acted as the Sole Lead Manager to the Placement.

Talga Managing Director, Mr Mark Thompson: *"Whilst working towards the best financing option for Stage 1 of the Vittangi Graphite Anode Project we need to scale up Talnode-C customer qualification sample production and complete Stage 1 DFS work."*

We therefore welcome our new shareholders to the Talga register at an exciting time of rapid growth in our plans to build Europe's first integrated lithium-ion battery anode supply. They join existing shareholders who recognise the opportunity to increase their ownership prior to execution of our business strategy, including funding of Stage 1 trial mine, processing and anode refinery."

Placement Details

The Company has received binding commitments from a targeted group of institutional and sophisticated investors, exempt under section 708 of the Corporations Act in Australia, to successfully raise gross proceeds of A\$3.25 million under the Placement.

The Placement will see the issue of 7,386,365 new fully paid ordinary shares in the Company ("**Shares**") at an issue price of A\$0.44 per Share and will be made pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1.

The Placement pricing represents a 14.5% discount to the 30-day volume weighted average price ("**VWAP**"), a 17.8% discount to the 5-day VWAP and a 20.0% discount to Talga's last traded share price on the ASX being \$0.55. Settlement of the Placement is expected to occur on Wednesday, 20 November 2019.



Share Purchase Plan Details

The SPP aims to raise up to A\$3.0 million and will enable existing eligible Talga shareholders, irrespective of the size of their holding, to participate in the capital raising at A\$0.44 per Share, the same issue price as the Placement, and not incur any brokerage or transaction costs.

Eligible shareholders, being those holders of fully paid shares with an address in Australia, New Zealand and the UK as at 5.00 pm AWST on Thursday, 14 November 2019, will have the opportunity to apply for up to A\$30,000 worth of Shares in the Company. The Shares issued under the SPP will rank equally with existing ordinary shares of the Company and shareholder approval is not required for the SPP.

All Talga Directors who are eligible shareholders intend to participate in the SPP and purchase the maximum A\$30,000 worth of SPP Shares.

The indicative key dates for the SPP are outlined below:

Record Date (5.00pm AWST)	Thursday, 14 November 2019
Announcement of SPP Offer	Friday, 15 November 2019
Issue of cleansing notice for SPP	Friday, 15 November 2019
Despatch of Offer Document and Application Form	Monday, 18 November 2019
Offer opening date	Monday, 18 November 2019
Offer closing date	Friday, 6 December 2019
Issue of SPP Shares	Friday, 13 December 2019
Commencement of trading of SPP Shares	Monday, 16 December 2019

The terms and conditions of the SPP will be contained in an offer booklet and application form which will be despatched to eligible shareholders and lodged on the ASX on Monday, 18 November 2019.

Use of funds raised under Placement and SPP

The Company plans to apply the Placement and SPP proceeds towards:

- Scaling up manufacture of Talnode-C customer samples including increased process capacity at Talga's pilot plant in Germany;
- Progressing the Vittangi Graphite Anode Project Stage 1 Definitive Feasibility Study to enable design, engineering and project finance options;
- Advancing Talga's north Sweden projects for battery anode products and graphene additives; and
- General working capital.

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About Talga

Talga Resources Ltd (ASX:TLG) is building a European source of advanced battery anode materials and graphene additives, to offer graphitic products 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. Joint development programs are underway with a range of international corporations. Company website: www.talgaresources.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.

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