

Benchmark Webinar - Talga Presentation Recording

Battery anode and graphene additives company Talga Resources Ltd (“**Talga**” or “**the Company**”) (**ASX:TLG**) advises that a recording of its Managing Director, Mark Thompson, presenting at the Benchmark Mineral Intelligence webinar on Monday 29 June 2020 is now available on the Company’s website via the link below:

<http://www.talgaresources.com/irm/content/videos.aspx?RID=366>

The webinar, titled **Graphite Anodes: Building a 21st Century Supply chain in Europe**, was a deep-dive into the scale, speed and quality control needed to build a graphite anode supply chain to meet the demands of Europe's battery megafactories.

A PDF copy of the Talga presentation delivered during the webinar can be found on the Company’s website via the link below:

<http://www.talgagroup.com/irm/content/presentations.aspx?RID=301>

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About Benchmark

Benchmark Mineral Intelligence is the world’s leading IOSCO-regulated price reporting agency (PRA), proprietary data provider, and market intelligence publisher for the lithium ion battery to electric vehicle (EV) supply chain. Benchmark’s services are relied upon by major actors in the EV supply chain and their team have testified to the US Senate, advised The White House, The Pentagon, and government agencies around the world.

About Talga

Talga Resources Ltd (ASX:TLG) is building a European source of battery anode 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.talgagroup.com





Talga Resources (ASX:TLG)

Building a European Li-ion battery anode supply chain



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Talga (ASX:TLG)

Developing producer of lithium-ion battery anode products, technologies and graphene additives

Commanding the value chain from mine-to-product resulting in cost, quality and differentiation advantages

Tier 1 location – Sweden; stable and local to fast growing European battery and EV manufacturing capacity

Long term supply stability with high grade JORC-defined resources large enough to supply Europe for decades

Green production from hydro-powered process

Talga is targeting commercial production in 2023 and is currently engaged directly with a range of major battery manufacturers and automotive OEMs





In-house Expertise

Talga develops high performance Li-ion anodes and battery materials enabled by its unique:

- ▶ natural carbon source type
- ▶ processing technology
- ▶ in-house material engineering technology

Strong technology capability with over 20 PhDs and Engineers with energy product experience including. ex-Toyota, Tata, Dyson and Cambridge University alumni

Deep industry knowledge enabling downstream strategy and cell maker/OEM interactions

Battery Anode Range

Talga-developed active anode products designed for current and emerging Li-ion battery applications

- ▶ **Talnode™-C:** Engineered graphite for fast charge, high power, high capacity and excellent low temperature performance
- ▶ **Talnode™-Si:** Silicon-graphene composite anode for higher energy density
- ▶ **Talnode™-X:** Graphite-based anode with ultra-fast charge capability
- ▶ **Talnode™-E:** Graphite-composite anode materials for Solid State Batteries

Strong Partnerships



The Opportunity

The long-term Li-ion battery boom has (finally) commenced in earnest driven by sustainability legislation, consumer demand and lower price EVs

Anode (a highly refined and coated form of graphite) is **~50% of the battery volume active ingredients**

The fastest growing market in the world is Europe, which imports 100% of its anode materials from Asia

European auto-OEMs wanting **local and clean** supply makes **now the time** for Talga to **enter the market** and compete with Asian chemical companies



Fastest Growing Battery Capacity

European Li-ion battery manufacturing will require 500,000tpa of new graphite anode by 2029



EV Sales Accelerating

European EV sales take off in the quarters prior to COVID-19, driven by **lower price models becoming available**

EV demand expected to grow ten-fold by 2028 (from 2019 base) but could be more as **emission-subsidies and legislation** clip economics of internal combustion engines

At least **400,000 tonnes anode** required by 2028 for EU manufacturers (20 times Talga's current planned annual production)

Localisation, supply-chain security and **low-CO₂** of increasing importance for auto OEMs



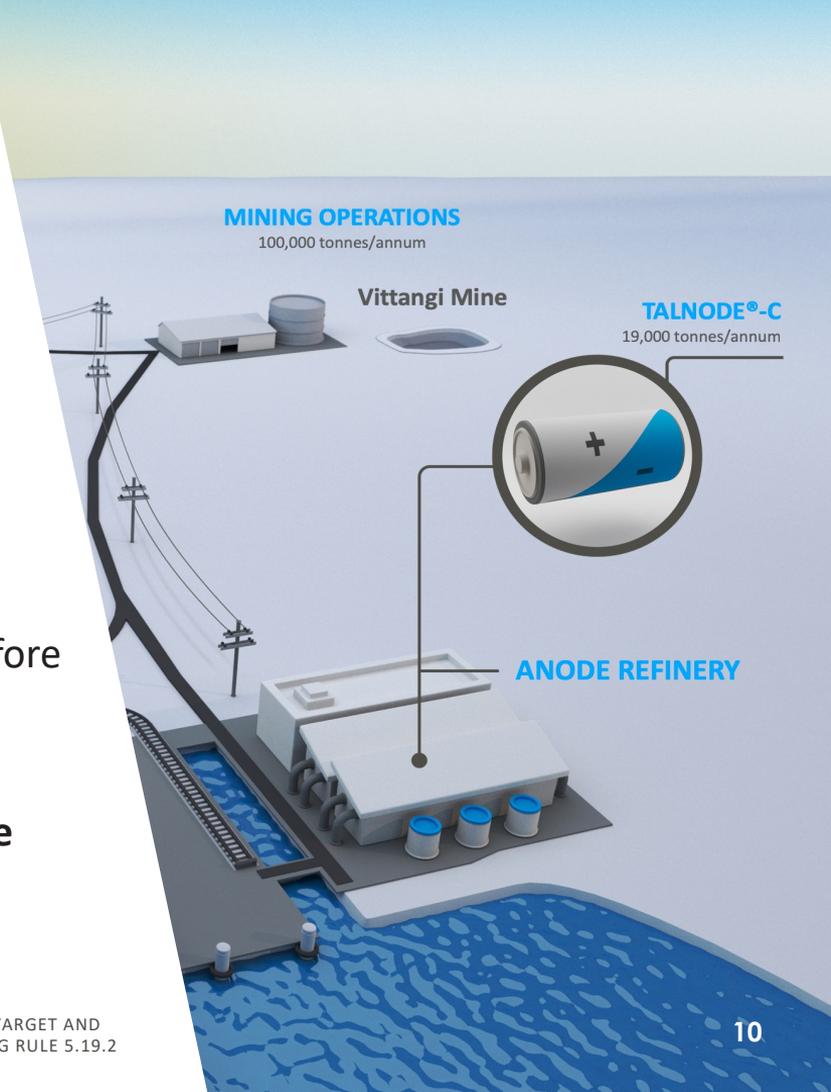
Building the Solution

Talga is building an integrated anode supply chain in Sweden with anode refinery to be built in Luleå fed by graphite concentrate from wholly owned Vittangi mine

Planned **19,000t of anode production for 22 years** from Stage 2 production set for 2023

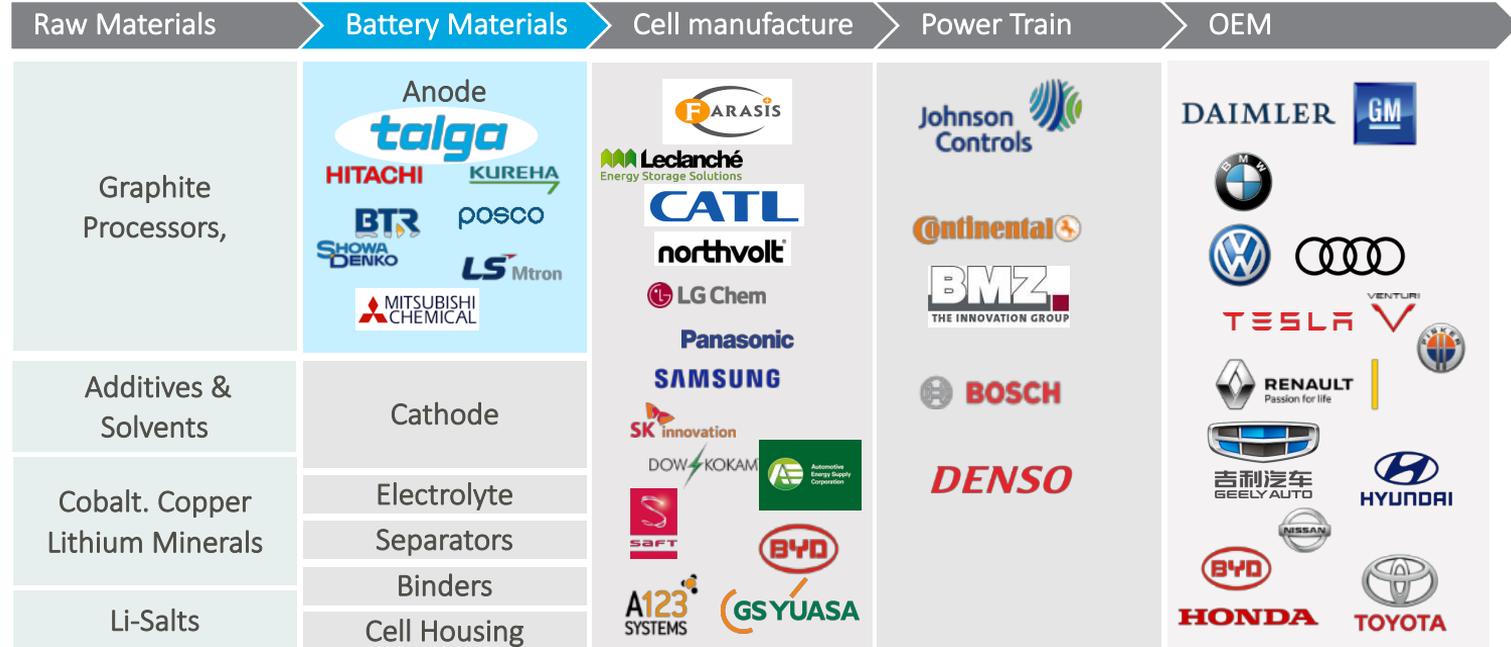
PFS shows strong financial potential with pre-tax annual revenue US\$188m and IRR 55%. Life of mine net profit before tax is US\$3,133m and current NPV₈ (real) is US\$1,056m

Expressions of interest received for over 300% of planned capacity. **Expansion being scoped for larger scale in future** (ASX:TLG 24 Jun 2020)



Position in the Supply Chain

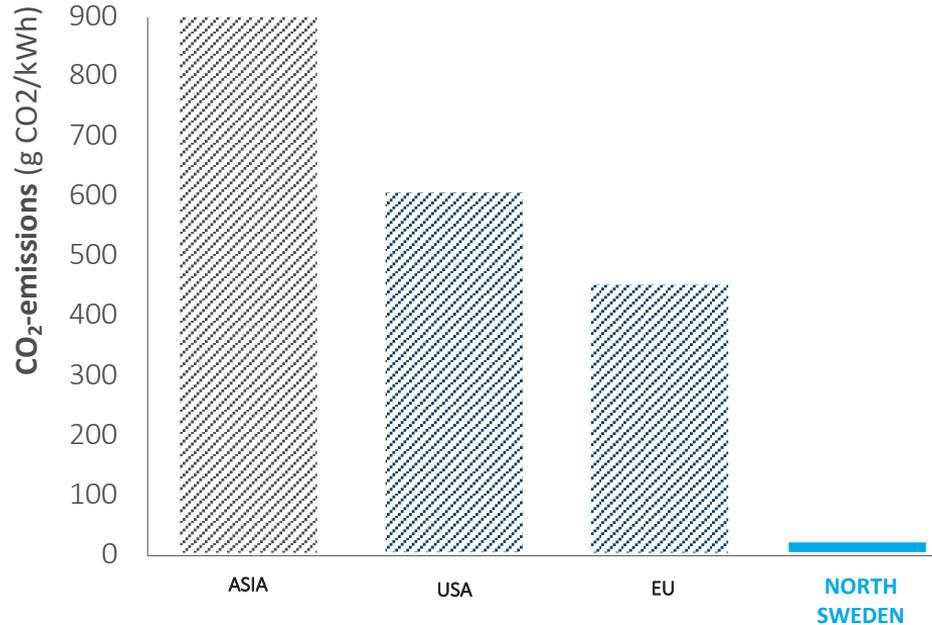
Talga's peers are chemical companies, not miners. We can sell directly to end users.



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.

Low Emission Leader

Production emissions becoming more important to customers purchasing decisions



To produce 100GWhr of Li-ion batteries:

China-based synthetic graphite anode production requires 4,100 GWhr power and emits approximately: **3,700,000t CO₂**

Talga's north Sweden anode production requires 2,300 GWhr power and emits approximately: **100t CO₂**

Global Cost Leader

Collective advantages enable Talga to be globally competitive low-cost anode producer



Ultra high grade ore



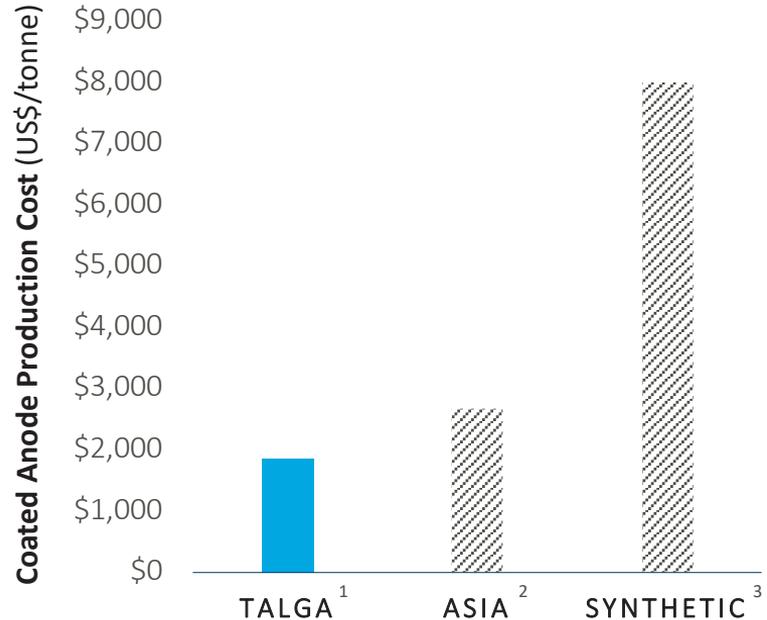
100% anode flake (no basket of industrial products)



High Process yield (88%)



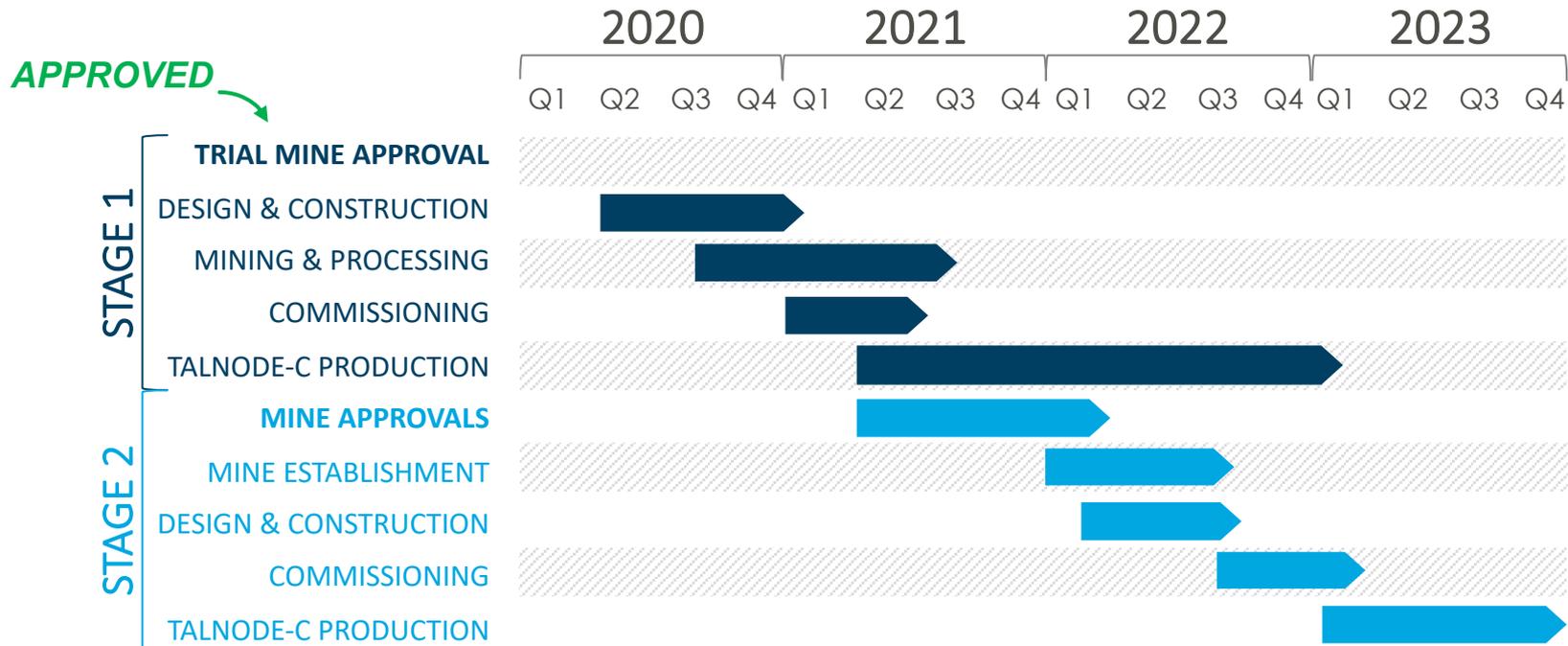
Low cost grid power



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 eg.. NEEDLE COKE.

Development Stages under 2019 PFS

Stage 1 mining approved but timing impacted by Covid-19 and subject to imminent Stage 1 DFS but Stage 2 timing (full commercial scale) still on track



Recent Milestones

- ✓ Partnerships underway to jointly develop project. A range of major parties are engaged and undertaking detailed diligence and testwork including **Mitsui** (agreement ASX:TLG 20 Mar 2020)
- ✓ 36 commercial engagements for Talnode underway including qualification for EV markets, includes **Farasis Energy** (supplier to Daimler) (ASX:TLG 27 May 2020)
- ✓ **Approval for Stage 1 mining operation** (25,000t ore and 5,000t Talnode production) received and confirmation of land **allocation for Stage 1 refinery** received from Municipality. Stage 2 permits submitted and with Swedish government authorities.
- ✓ Successful **60 tonne pilot concentrate program** provides commercial samples
- ✓ Battery **technology co-funding** from UK government Innovate programs includes **Bentley Motors**
- **Project development steps underway include Stage 1 DFS (imminent) and Niska Scoping Study for Q3 2020 amid customer offtake and project financing discussions underway**

Corporate Overview

ASX code: TLG

A\$143m

Market Cap

~243.7m

Listed Shares

A\$6.6m

Cash

~9.8m

Unlisted options

BOARD OF DIRECTORS

Terry Stinson	Non-Executive Chairman
Mark Thompson	Managing Director
Grant Mooney	Non-Executive Director
Steve Lowe	Non-Executive Director
Ola Rinnan	Non-Executive Director
Andrew Willis	Non-Executive Director

MAJOR SHAREHOLDERS

Smedvig – Family Office	10.47%
Mark Thompson – M.Director	5.88%
JP Morgan Nominees	5.35%
Pelmer Securities	3.76%
Citicorp Nominees	3.70%

TOP 20 SHAREHOLDERS 49.47%

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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

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 Stage 1	\$M	\$27
Capex Stage 2	\$M	\$147
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.
SEE: ASX:TLG 23 MAY 2019. SOURCE: TALNODE™-C PRICE BASED ON BENCHMARK ASSESSMENT REPORT.

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)	12,300,000	25.5
Indicated	10,700,000	25.7
Inferred	1,600,000	23.9
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	52,700,000	

NOTE: ¹ MINERAL RESOURCES ARE INCLUSIVE OF ORE RESERVES.

² MINERAL RESOURCES ARE REPORTED AT VARIOUS CUT OFF GRADES: NUNASVAARA 17% Cg, 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 Substantially Increases Flagship Graphite Resource Size, Grade and Status'. 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 27 April 2017 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 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.