

# ACC and Talga sign non-binding Offtake Term Sheet for Swedish lithium-ion battery anode

Talga Group Ltd (“**Talga**” or “**the Company**”) (**ASX:TLG**) is pleased to announce it has entered into a non-binding Offtake Term Sheet (“**Term Sheet**”) with European battery maker Automotive Cells Company SE (“**ACC**”) to supply its flagship anode product, Talnode<sup>®</sup>-C, from the Vittangi Anode Project in Sweden.

ACC is co-owned by automotive brands Mercedes-Benz and Stellantis (a major global automotive manufacturer with brands including Alfa Romeo, Chrysler, Citroën, Fiat, Jeep, Peugeot and Maserati); and battery company Saft (subsidiary of energy giant TotalEnergies).

## The Vittangi Anode Project

Talga is building Europe’s first battery anode factory in Luleå, Sweden. The initial operation, fed from the Nunasvaara South graphite mine, will produce 19,500tpa of Talnode<sup>®</sup>-C for the fast-growing Li-ion battery market.

Talnode<sup>®</sup>-C is Talga’s flagship battery anode product with an ultra-low emissions profile for greener lithium-ion batteries.

Under the Term Sheet, which follows successful qualification testwork completed to date, Talga will supply ACC with 60,000 tonnes of Talnode<sup>®</sup>-C over a 5-year term. The parties have a legally binding obligation to use commercially reasonable efforts to complete due diligence and finalise a binding definitive agreement by 30 November 2022.

The definitive agreement is expected to include supply of ramp up volumes over 2023 - 2025, prior to the 60,000 tonne offtake supply commencing in 2026.

The offtake term includes a floating price mechanism with a reference price to be agreed by the parties in the binding definitive agreement, which will be subject to standard conditions precedent for an offtake agreement of this nature.

Talga’s mission to enable the world’s most sustainable batteries aligns well with ACC’s aim of accelerating the transition to cleaner, greener transport for all. ACC is currently establishing its first lithium-ion battery Gigafactory in France, with further Gigafactories planned in Germany and Italy to ramp-up total production capacity to 120GWh per annum in 2030.

Authorised for release by the Board of Directors of Talga Group Ltd.

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## About ACC

Automotive Cells Company (ACC) is backed by Saft-TotalEnergies, Stellantis and Mercedes-Benz. ACC's purpose is to develop and produce battery cells and modules for electric vehicles with a focus on safety, performance, and competitiveness, while ensuring the highest level of quality and the lowest carbon footprint. Website: [www.acc-emotion.com](http://www.acc-emotion.com)

## About Talga

Talga Group Ltd (ASX:TLG) is building a European battery and advanced materials supply chain, to offer products critical to its customers' innovation and the shift towards a more sustainable world. Vertical integration, including ownership of high-grade Swedish graphite projects, provides security of supply and creates long-lasting value for stakeholders. Website: [www.talgagroup.com](http://www.talgagroup.com)

## Competent Persons Statement

The Company first reported the production targets and forecast financial information referred to in this announcement in accordance with Listing Rules 5.16 and 5.17 in its announcements titled 'Robust Vittangi Anode Project DFS' dated 1 July 2021. 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.

## 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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