



Talga Group Ltd

Investor Webinar May 2023

ASX:TLG



Cautionary Statement and Disclaimer

Talga Group Ltd ACN 138 405 419 (the Company) is the issuer of this presentation.

Niska Scoping Study

The Niska Scoping Study is a preliminary technical and economic study of the potential viability of developing the Nunasvaara North, Niska South and Niska North graphite deposits by constructing an integrated mining and refining operation to produce Talga's anode products for Li-ion batteries. It is based on low level technical and economic assessments that are not sufficient to support the estimation of ore reserves or to provide assurance of an economic development case. Further evaluation work and appropriate studies are required before the Company will be in a position to estimate any ore reserves or to provide any assurance of an economic development case or certainty that the conclusions of the Niska Scoping Study will be realised. The Niska Scoping Study is based on the material assumptions outlined in the announcement of 7 December 2020. These include assumptions about the availability of funding. While Talga considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Niska Scoping Study will be achieved. To achieve the range of outcomes indicated in the Niska Scoping Study, funding in the order of US\$1,000 million plus contingencies may be required. Investors should note that there is no certainty that the Company will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's existing shares. It is also possible that the Company could pursue other 'value realisation' strategies such as a sale, partial sale or joint venture of the project. If it does, this could materially reduce the Company's proportionate ownership of the deposits covered by the Niska Scoping Study. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Niska Scoping Study.

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Talga Group

Battery material developer and supplier with 100% owned mineral resources in Sweden and integrated processing-to-product technology

Talga is differentiated by:

- › **Advanced stage fully vertically integrated graphite anode project**
- › **Low-emission battery materials are cleaner and greener than incumbents**
- › **Strong in-house expertise and IP**
- › **Strategic location in Europe proximal to customer battery Gigafactories**
- › **Scalable silicon anode production potential**



An aerial photograph of a winding asphalt road that curves through a dense forest. A small pink car is driving on the road. The text "Our Mission" is centered at the top of the image.

Our Mission

**to enable the world's most
sustainable batteries and consumer products
through innovative graphitic materials**

Corporate Overview

ASX:TLG (12 months)



Entered ASX 300 index 20 March, 2023

STOCKMARKET CODES/TICKERS

Primary listing Australia ASX (TLG)
with OTC Germany (TGX) and US (TLGRF)

CAPITAL STRUCTURE

Market Capitalisation:	\$461.6M
Listed Shares:	360.6M
Unlisted Options:	12.4M ⁽¹⁾
Cash as at 31 March 2023:	\$51.6M

MAJOR SHAREHOLDERS

Kinetic Investment Partners	4.7%
Mark Thompson – M. Director	4.0%
Pentwater Capital Management	3.6%
UBS AG (Private Banking)	3.2%
Ellerston Capital	1.7%
Yandal Investments	1.7%
Total number of shareholders	12,059

Talga Operations

Perth, Australia

Group head office

Luleå & Kiruna, Sweden

Anode production and graphite deposits

Stockholm, Sweden

European corporate office

Cambridge, UK

Product and R&D technology centre

Rudolstadt, Germany

***Production process pilot facility and
EU customer network***

Osaka, Japan & Hong Kong

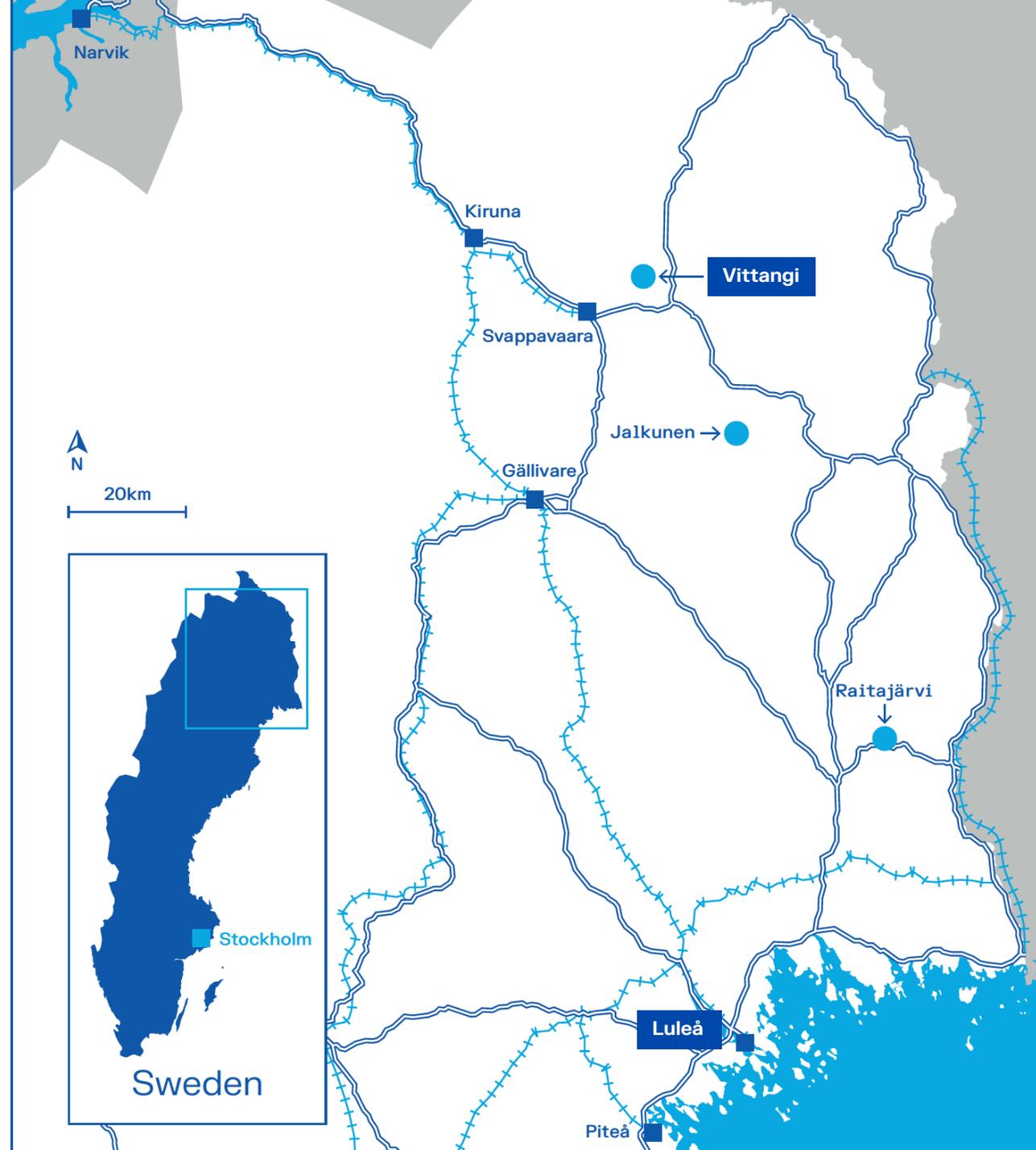
***Commercial offices and product
development***



Vittangi Anode Project

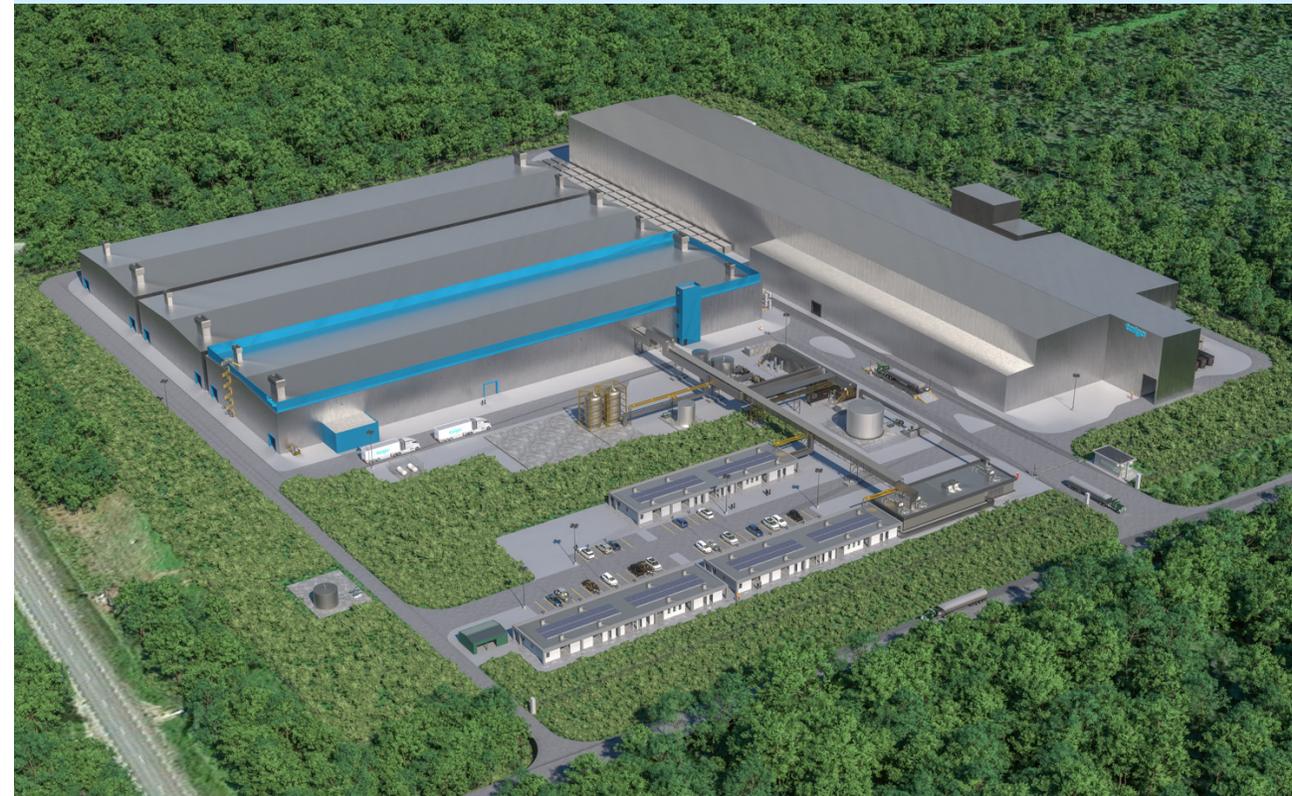
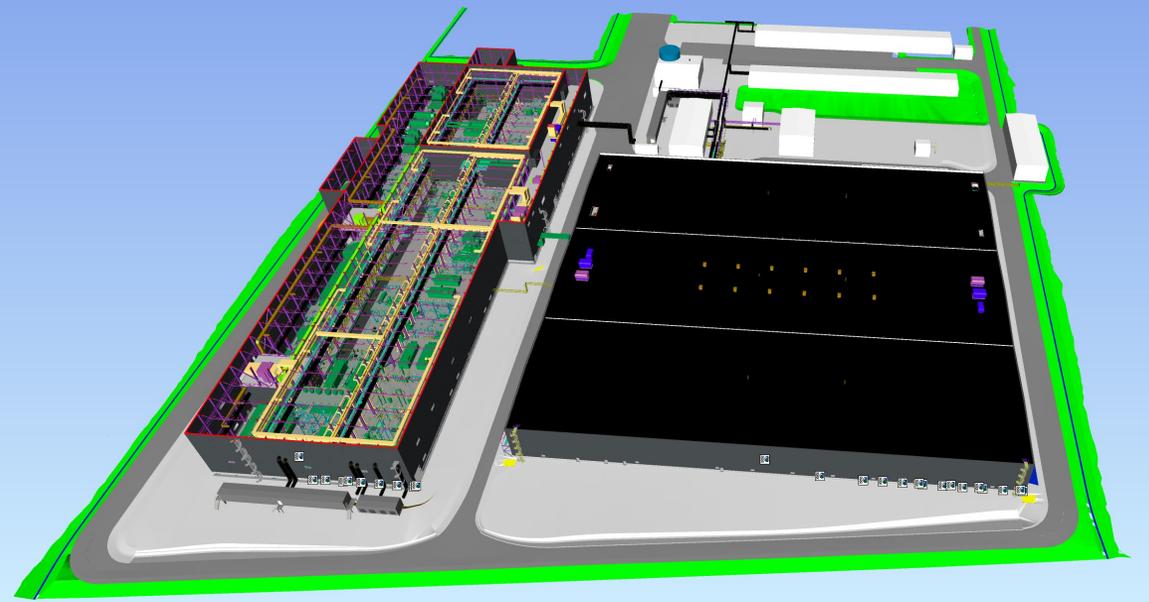
Advanced stage fully vertically integrated graphite mine and refinery in Sweden to produce 19,500tpa active anode material

- Outstanding low-emission production enabled by high grade ore with uniquely suited small flake size, advanced Talga process technology and 100% hydropower
- Anode operation in Luleå Industrial Park is close to customers and has direct road and rail access to all mainland Europe
- Mining operation near Vittangi located near existing iron ore/copper mines with local workforce from surrounding towns



Recent milestones: Anode refinery

- 19,500tpa anode production facility located in new Luleå Industrial Park alongside H2 Green Steel, LKAB, SSAB and others
- Building permits granted, in force 24 March with no appeals received
- Environmental/operating permit hearing completed 5 May, decision expected 21 June
- Application made to allow commencement of early works construction 2H 2023
- Graphite ore stockpiles in storage for use in commissioning and early-stage production





Recent milestones: Vittangi mine

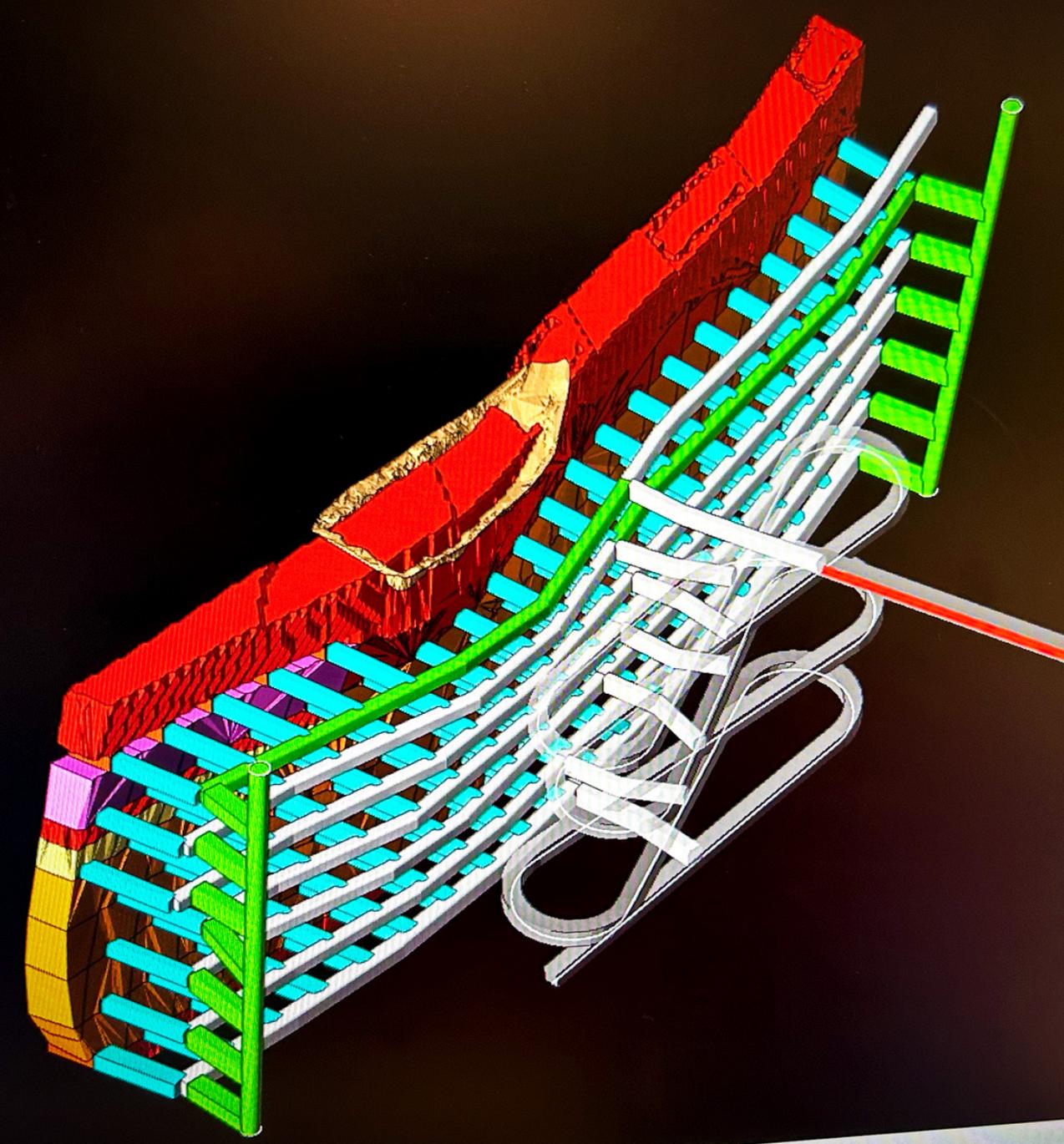
- Granted environmental and Natura 2000 permit for Vittangi graphite mine and concentrator on 5 April 2023
- Permits include:
 - Mining and processing of 120,000tpa graphite ore to 2070
 - Waste rock and tailings storage and remediation
 - Water treatment and discharge
- Culmination of sustained technical, environmental and social surveys/studies
- Statutory appeals assessment scheduled 14 June

See: ASX:TLG 6 April, 8 May 2023.

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Europe's largest graphite resource

- ▶ Recent drilling expands Vittangi project total JORC Mineral Resource to 36.9 million tonnes at 23.1% graphite (at cut off grade 11%Cg)
- ▶ Deposits remain open along strike and at depth. Less than 25% of exploration target tested to date.
- ▶ Technical and economic feasibility studies underway on underground expansion options, minimising surface impacts
- ▶ Results to underpin potential anode production beyond the 104,000tpa outlined in DFS and Niska expansion scoping study



EU Momentum

EU Green Deal and interaction with the US Inflation Reduction Act driving new actions to establish local battery supply chains

- ✓ Talga exhibiting at Luleå TTC talks between high-level US and EU diplomats, 30/31 May
- ✓ Recent policy initiatives:
 - ✓ Critical Raw Materials Act, 16 March
 - ✓ Net-Zero Industry Act, 16 March
 - ✓ US-EU IRA expansion, 10 March
- ✓ Talga exploring green funding opportunities, including proposed Sovereignty Fund
- ✓ Talga continues to be recognised as a key driver of net zero action in Europe

Martin Phillips, Talga Europe CEO; and Maroš Šefčovič, European Commission Vice-President for Inter-institutional Relations and Foresight





Project financing

Financing strategy targets a mix of project debt and equity

- EIB under appraisal to cornerstone a lending consortium comprising leading export credit agencies and international banks
- Credit approved commitments expected from Lenders over next quarter
- Terms Sheet and Financial Model supported by independent bank due diligence reports:
 - technical and environmental
 - anode and graphite market
 - financial and legal with Senior Lender Counsel appointed for financiers

“We no longer back fossil fuel projects and will devote 50% of our investments to climate action and sustainability by 2025.”

European Investment Bank at a glance, February 2023



Anode offtakes

Talnode®-C supply agreements to support Vittangi project financing include;

ACC (co-owned by Mercedes-Benz, Stellantis, and Saft) non-binding offtake term sheet for:

- ▶ Supply of 60,000 tonnes of Talnode®-C over initial 5-year term starting 2026
- ▶ Expected to include supply of ramp up volumes

Verkor (supplier to Renault)

- ▶ LOI sets out non-binding terms to supply Talnode®-C over a 4- to 8-year period
- ▶ Progressing execution of binding term sheet

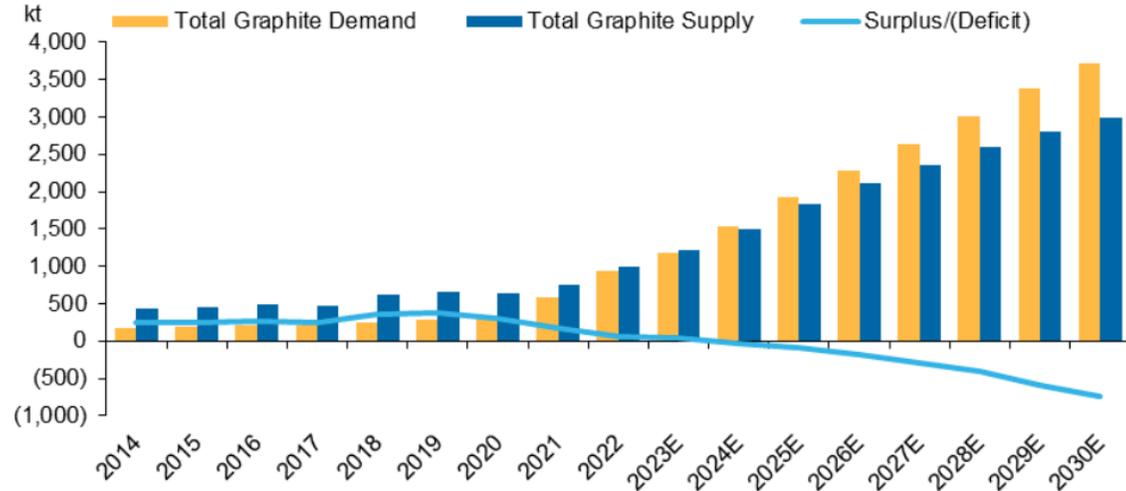
Agreements also being advanced with other major battery makers and OEMs

ACC
AUTOMOTIVE CELLS Co



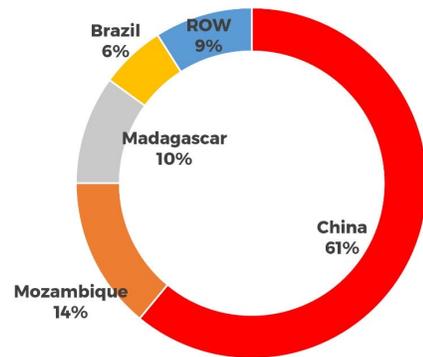
VERKOR

Anode market update

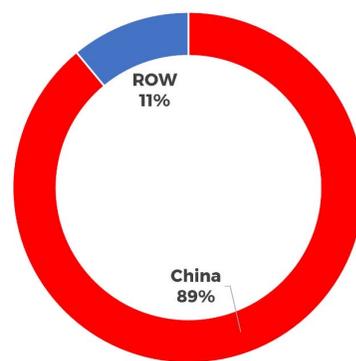


Market deficit forecast beginning in 2025E, Macquarie Research

Mined / Raw Material



Anode



Flake graphite in 2023, Benchmark Mineral Intelligence

- Following recessionary start, global 2023 EV sales forecast to increase 39% from 2022
- Changes in Chinese EV subsidies and flexibility being taken up across supply chain has caused short term graphite weakness. Expected to clear over coming months as EV demand increases globally
- Natural graphite market on track to undergo substantial and increasing deficits in the -100 mesh market, the preferred flake size for anode production (100% of Talga's Vittangi resource)
- China still dominates anode production

Silicon anode pilot commissioned

New Talnode[®]-Si pilot line producing customer qualification samples and progress for commercialisation

- ▶ Talnode[®]-Si is a composite silicon-graphene-graphite anode that has successfully scaled from lab in UK to pilot plant in Germany
- ▶ Designed as a “drop-in” energy booster additive, Talnode[®]-Si contains ~50 wt% silicon
- ▶ Fast-tracking resulting from positive customer results. Potential commercial sites shortlisted
- ▶ Test work underway on using recycled battery graphite as alternate feedstock



Building operational readiness

- Key appointments completed across global group, including Project Director for Vittangi Anode Project construction in Sweden
- Funds secured for Luleå refinery early works from successful A\$40m capital raise, including commencement of anode equipment procurement and detailed engineering
- In-house battery lab and equipment expanded and LEAN quality management implementation underway
- IP strategy advances to >60 individual applications in 14 active families





Upcoming milestones

- Vittangi graphite mine environmental permit appeals assessment scheduled 14 June
- Refinery environmental permit decision scheduled 21 June
- Project debt financing approvals and finalisation of Talnode[®]-C offtake agreements
- Talnode[®]-Si customer qualification and agreements to support development and selection of commercial rate production site
- Development of Talnode[®]-C expansion plans beyond 104,000tpa anode production to fit customer battery demand roadmaps

talga

www.talgagroup.com



ASX:TLG

Experienced Board and Management Team

Strong technological and operational leadership with on the ground European presence

Board of Directors



Terry Stinson

Non-Executive Chairman

Over 35 years' Executive and Non-Executive Director experience, working for global innovation companies. Formerly the CEO and Managing Director of Orbital Corporation, VP for Global Fuel Systems at Siemens AG and CEO of Synerject. Currently the Non-Executive Chairman of Carnegie Clean Energy Limited and Non-Executive Director of Aurora Labs.



Mark Thompson

Managing Director & Founder

Over 30 years' global experience in the mineral industry including resource project development, technology and management. Founded Talga in 2009 and listed the company on the Australia Securities Exchange in mid 2010. A member of the Australian Institute of Geoscientists and the Society of Economic Geologists.



Grant Mooney

Non-Executive Director

Strong corporate advisory background with extensive experience in equity capital markets, corporate governance and M&A transactions. A member of the Institute of Chartered Accountants in Australia. Currently a Non-Executive Director of several ASX listed companies.



Steve Lowe

Non-Executive Director

Strong business management and taxation background with more than 20 years' experience consulting to corporate and high wealth clients. A Fellow of the Taxation Institute of Australia and a member of the Australian Institute of Company Directors.



Ola Rinnan

Non-Executive Director

Extensive commercialisation and leadership experience across the energy, banking and finance sectors. Has held numerous board positions for European listed companies and financial institutions including Non-Executive Directorships in Smedvig group companies and DFCU Bank.

Key Management Personnel and Technical Leadership



Per-Erik Lindvall

Talga AB Chairman

A well-known business leader in northern Sweden with a long standing background in the Swedish mining industry including as former Vice President of LKAB. Per-Erik also holds several board assignments and has for many years been a driving force in creating a new, sustainable industrial cluster in northern Sweden.



Melissa Roberts

Chief Financial Officer

Over 20 years' experience in the global resources industry across corporate and commercial roles, most recently with global mineral producer Iluka Resources. Melissa joined Iluka in 2009 and held a range of senior roles within the business in Commercial, Investor Relations, Business Development and Information Technology.



Martin Phillips

Chief Operating Officer & European CEO

Experienced commercial and project manager with over 25 years of global metals and mining sector experience. Previous positions include engineering and management roles in battery recycling programs and smelting innovations at MIM's Mt Isa and UK operations. Mr Phillips was former Commercial Manager of Iluka Resources Ltd.



Dean Scarparolo

Company Secretary

A wealth of experience in developing and managing finance departments of ASX listed resource companies. A member of CPA Australia with over 25 years in roles spanning exploration, development and operations across Australia, Africa and Europe.

JORC Graphite Reserve and Resources

Ore Reserve ^{3, 5}	Tonnes	Graphite (% Cg)
Nunasvaara (JORC 2012)	2,260,140	24.1
Probable	2,260,140	24.1

Mineral Resources ^{1, 2, 4, 6, 7, 8}	Tonnes	Graphite (% Cg)
Vittangi (JORC 2012)	36,853,000	23.1
Indicated	27,814,000	23.8
Inferred	9,039,000	21.2
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	72,700,000	18.6

- Note:
1. Mineral resources are inclusive of ore reserves.
 2. Mineral Resources are reported at various cut off grades: Vittangi 11% 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.

JORC Exploration Target

2021 Exploration Target Vittangi Graphite Project		
Vittangi (JORC 2012)	Low	High
Tonnage Range	170Mt	200Mt
Grade Range	20% Cg	30% Cg

Note that the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Talga completed new ground electromagnetic geophysical ("EM") surveys of graphite targets at Vittangi following the 2020 upgrade of the Vittangi graphite resource. The EM survey results have been reviewed in combination with prior Talga geochemical samples collected from the surface within the conductors, which averaged 26.2% graphite ("Cg") (ASX:TLG 15 Nov 2012). Modelling of this data in conjunction with positive outcomes of the Niska underground mining scoping study have enabled a revised JORC-compliant Exploration Target estimate totalling 170-200Mt at 20-30% Cg at Vittangi (ASX:TLG 20 Jul 2021). This is a significant increase from the previous 26-46Mt at 20-30% Cg (ASX:TLG 17 Sep 2020). The majority of this estimate is proximal along strike and down dip from Talga's existing Vittangi JORC (2012) graphite resources of 30.1Mt @ 24.1% Cg. Additional targets are located along the mapped graphite units around the greater Nunasvaara Dome area.

New rounds of diamond core drilling commenced at Vittangi in mid-2021. The staged 69 hole diamond drilling program totalling ~8,000m tested parts of the JORC Exploration Target as down-dip extensions of the current JORC Resources as well as shallow subcrop targets between Nunasvaara North and Niska South. Reviews of JORC Exploration Targets will be undertaken where significant changes are indicated by continued exploration.

See Talga's ASX announcement dated 20 July 2021 for further information.

Competent Person Statements

The Vittangi Mineral Resource estimate was first reported in the Company's announcement dated 3 April 2023 titled 'Successful exploration grows Talga's Swedish natural graphite 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 1 July 2021 titled 'Robust Vittangi Anode Project DFS'. 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.

The Jalkunen Mineral Resource estimate was first reported in the Company's announcement dated 27 August 2015 titled 'Talga Trebles Total Graphite Resource to Global Scale'. 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 Raitajärvi Mineral Resource estimate was first reported in the Company's announcement dated 26 August 2013 titled '500% Increase to 307,300 Tonnes Contained Graphite in New Resource Upgrade for Talga's Swedish Project'. 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 Company first reported the production targets and forecast financial information referred to in this presentation in accordance with Listing Rules 5.16 and 5.17 in its announcements titled 'Robust Vittangi Anode Project DFS' dated 1 July 2021 and 'Positive Niska Scoping Study Outlines Pathway to Globally Significant Battery Anode Production' dated 7 December 2020. 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.

The Information in this presentation that relates to prior exploration results for the Vittangi Graphite Project is extracted from ASX announcements available to view on the Company's website at www.talgagroup.com, with information on the exploration target first released to ASX on 20 July 2021. The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the relevant original market announcements. The Company confirms that the form and context in which the Competent Person and Qualified Person's findings are presented have not been materially modified from the relevant original market announcements.