

Circular Graphite Anode Grant Update

Battery materials and technology company Talga Group Ltd (“**Talga**” or “**the Company**”) provides an update regarding the Company’s grant application for the “Circular Graphite Anode at Industrial Scale for Low-emission Batteries” project under the Swedish Energy Agency’s second Industrial Leap/Industriklivet (“IK2”) program.

In correspondence to Talga the Swedish Energy Agency has not approved the grant, advising “for the budget years to which the application relates within the framework of Industriklivet’s authorisation, there are no funds available corresponding to the amount applied for” (SEK 1.1b/A\$180m).

This does not impact the ongoing fully funded Front-End Engineering Design (“FEED”) study (total value SEK 190m/A\$30.8m) for the 5,000 tpa commercial-scale sustainable anode plant, supported by the successful first Industrial Leap (“IK1”) grant of SEK 82.6m (A\$13.35m). The modular project design positions Talga for a Final Investment Decision after FEED completion and then phased growth to 24,500 tpa.

Talga continues to advance multiple funding strategies to drive production from the current EVA anode plant to commercial scale. Key existing financing facilities include a €70m (A\$125m) EU Innovation Fund grant and a €150m (A\$250m) undrawn debt facility pre-approved with the European Investment Bank. Negotiations are progressing to optimise terms and accelerate access to funds to establish the first train of the anode production plant.

Talga Chief Executive Officer Martin Phillips commented: *“We are disappointed in this grant application outcome, which was due to a Government budget reduction for the Industrial Leap program. However, we are well positioned to complete remaining financing by other means and are committed to building the graphite anode supply chain for our existing customers. With growing interest from the US and other countries in critical minerals, we are confident in securing the additional funds for our first anode line post-FEED.”*

Discussions with strategic partners on funding and offtake arrangements are advancing, and the Company will update the market in due course.

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

Candice Sgroi
Group Investor Relations Manager
Talga Group Ltd
+61 (0) 400 492 285

For personal use only

About Talga

Talga Group Ltd (ASX:TLG / OTCQX:TLGRF) is a global leader in producing high-power, sustainable battery anode and advanced graphitic materials. Our capabilities include proprietary graphite purification, shaping and coating technologies, ensuring secure and low-emission Li-ion battery anode supply chains and new-energy materials. Talga's products and technologies solve battery manufacturing challenges such as supply vulnerabilities, performance limitations and recyclability, thereby accelerating the shift to more secure critical mineral product manufacturing.

Website: www.talgagroup.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. Those risks and uncertainties include factors and risks specific to the industries in which the Company operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. 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.

No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside the Company's control. There can be no assurance that the plans of the directors and management of Talga will proceed as currently expected or will ultimately be successful.

The Company does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of the Company's directors, employees, advisors, or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement.

This announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in such jurisdiction. This document does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this representation are not intended to represent recommendations of particular investments to particular persons.