

Successful Talga A\$22M institutional placement

- Successful completion of institutional placement to raise A\$22 million (“**Placement**”) from the issue of 20 million new fully paid ordinary Talga shares
- The Placement was well supported by a range of leading domestic and European institutions, as well as new and existing shareholders
- Proceeds will be used to fund expansion and advancement of the Vittangi Anode Project development, next generation anode R&D and commercialisation, and general working capital
- Talga is also undertaking a Share Purchase Plan for all eligible shareholders to raise up to A\$10 million at the same issue price as the Placement

Battery materials company Talga Group Ltd (“**Talga**” or “**the Company**”) (**TLG:ASX**) is pleased to announce that it has received firm commitments for a placement of new fully paid ordinary Talga shares (“**New Shares**”) at a price of A\$1.10 per share, to raise A\$22 million before costs (“**Placement**”). The oversubscribed placement was strongly supported by a range of sophisticated, professional and institutional investors, and will take Talga's pro forma cash position (before costs) at 30 September 2022 to A\$27 million.

Details of the Placement

The Placement, jointly managed by Morgan Stanley Australia Securities Limited and Euroz Hartleys Limited, and supported by UK placing agent Longspur Capital Limited, will result in the issue of 20 million New Shares. This represents approximately 6.5% of Talga's existing fully paid ordinary shares on issue immediately prior to the issue of the New Shares.

The New Shares will be issued pursuant to the Company's existing capacity under ASX Listing Rule 7.1. The Placement is scheduled to settle on Thursday, 13 October 2022 with the New Shares commencing trading on ASX on a normal basis on Friday, 14 October 2022.

Proceeds from the Placement will be used to fund Talga's advancement of the Vittangi Anode Project, expanded operation of the Electric Vehicle Anode qualification plant, Niska expansion workstreams and resource drilling, next generation anode development (including Talnode[®]-Si commercialisation), and for general working capital (including costs of the Placement).

Use of Proceeds	A\$MM
Vittangi Anode Project early works / long lead items	6.0
EVA and trial mine processing and operating costs	6.5
Resource expansion drilling and Niska expansion work streams	2.5
Next generation anode product development (including silicon scale-up work-streams)	3.0
General working capital including transaction costs	4.0
Total	22.0

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Details of the Share Purchase Plan

Talga is pleased to offer all Eligible shareholders in Australia and New Zealand registered on the record date the opportunity to participate in a non-underwritten SPP to raise up to an additional A\$10 million¹. Eligible shareholders may apply for up to A\$30,000 of New Shares under the SPP.

Under the SPP, Talga shares will be offered at the same issue price as the Placement of A\$1.10 per Share. Any SPP proceeds will be used for Vittangi and Niska project advancement activities and general working capital.

The record date for the SPP is 5:00pm (AWST) on Thursday, 6 October 2022. The SPP offer period is anticipated to be open from Friday, 14 October 2022 to Friday, 28 October 2022, subject to Talga's discretion to amend these dates by making an ASX announcement.

The Talga Board has determined to cap the SPP at a maximum of A\$10 million. As the SPP is not underwritten, the SPP may raise less than this amount. In the event the SPP is oversubscribed, at this stage the Company intends to apply scale back by giving priority to applications received on a 'first-come, first-served' basis, however the final decision on how any scale back is conducted will be in the Board's sole discretion and will be set out in the SPP booklet. The Board may take into account a number of factors including the extent to which the applicant has sold or purchased shares since the record date.

This means that the Company may reject applications which are received after the Company has received valid applications from Eligible shareholders which together amount to applications for a total of A\$10 million worth of New Shares. Accordingly, Talga encourages eligible shareholders who wish to participate to act promptly when the SPP opens.

Further information regarding the SPP (including terms and conditions of the SPP) will be provided to Eligible shareholders in the SPP offer booklet following the completion of the Placement. Eligible shareholders wishing to acquire New Shares under the SPP will need to apply in accordance with the instructions in the SPP booklet. Participation in the SPP is optional.

The indicative timetable for the SPP is as follows, and will be confirmed when the SPP offer booklet is dispatched:

Event	Date
SPP Record Date (5:00pm (AWST))	Thursday, 6 October 2022
Announcement of Placement and SPP / Trading halt lifted	Friday, 7 October 2022
SPP opens and dispatch of SPP Booklet	Friday, 14 October 2022
SPP closes	Friday, 28 October 2022
Announcement of results of SPP	Tuesday, 1 November 2022
Settlement of New Shares issued under the SPP	Thursday, 3 November 2022
Allotment of New Shares issued under the SPP	Friday, 4 November 2022
Holding statements in respect of New Shares issued under the SPP	Monday, 7 November 2022
Normal trading of New Shares issued under the SPP	Tuesday, 8 November 2022

¹ The Company may, in its absolute discretion, scale back SPP applications above this cap.

The timetable is indicative only and remains subject to change at Talga's discretion, subject to compliance with applicable laws and the ASX Listing Rules. Talga reserves the right to change the timetable or cancel or withdraw the SPP at any time before relevant New Shares are issued, subject to regulatory requirements.

The Company reserves the right to close the SPP early or to accept late applications, in its sole and absolute discretion, should it be considered necessary to do so, by making an announcement to ASX. The commencement and quotation of New Shares is subject to confirmation from ASX.

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

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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

Important Notice

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