

Successful A\$9.5m institutional placement

- Institutional placement to raise A\$9.5 million via the issue of 25 million new fully paid ordinary Talga shares (“Placement”)
- Proceeds will be used to fund Vittangi Anode Project development through to Financial Investment Decision, expansion studies, Talga-SQM lithium JV and general working capital
- Additionally, Talga is undertaking an offer of new fully paid ordinary Talga shares to all eligible shareholders to raise A\$5.0 million at the same issue price as the Placement
- Talga also proposes a future issue of loyalty options to all eligible shareholders to acknowledge their ongoing support

Battery materials company Talga Group Ltd (“**Talga**” or “**the Company**”) (TLG:ASX) is pleased to announce it has received firm binding commitments for a placement of new fully paid ordinary Talga shares (“**New Shares**”) at a price of A\$0.38 per share, to raise A\$9.5 million before costs (“**Placement**”).

The placement was strongly supported by existing major long term shareholders and several domestic and international institutional investors.

Placement Details

The Placement, jointly managed by Euroz Hartleys Limited and Bell Potter Securities Limited, will result in the issue of 25 million New Shares to raise gross proceeds of A\$9.5 million. This represents approximately 6.6% 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 Tuesday, 6 August 2024 with the New Shares commencing trading on ASX on a normal basis on Thursday, 8 August 2024.

Proceeds from the Placement will be used to fund pre-execution activities during the final stages of Vittangi Anode Project development and execution readiness ahead of Financial Investment Decision (“**FID**”), progress mineral resource and anode production expansion studies, progress the SQM lithium joint venture and general working capital including project funding transaction costs.

Use of Proceeds	A\$M
Fund pre-execution activities during final Project development stages ahead of FID	\$4.5M
Progress mineral resource and anode production expansion studies	\$2.0M
Progress the Talga/SQM lithium joint venture	\$0.5M
General working capital including project funding transaction costs	\$2.5M
Total	\$9.5M

Prospectus Offer Details

Talga is pleased to offer all shareholders in Australia and New Zealand registered on the record date ("**Eligible Shareholders**") the opportunity to participate in a non-underwritten offer of New Shares under a prospectus ("**Prospectus**") to raise approximately an additional A\$5.0 million¹ ("**Prospectus Offer**"). Eligible Shareholders may apply for up to A\$30,000 of New Shares under the Prospectus Offer.

Under the Prospectus Offer, Talga shares will be offered at the same issue price as the Placement of A\$0.38 per Share. The New Shares will be issued pursuant to the Company's existing capacity under ASX Listing Rule 7.1. Any Prospectus Offer proceeds will be used to fund pre-FID Vittangi Anode Project development and general working capital.

The record date for the Prospectus Offer is 5:00pm (AWST) on Friday, 26 July 2024. The offer period for the Prospectus Offer is anticipated to be open from Friday, 9 August 2024 to Friday, 23 August 2024, subject to Talga's discretion to amend these dates.

The Talga Board has determined to target raising A\$5.0 million from the Prospectus Offer. As the Prospectus Offer is not underwritten, the Prospectus Offer may raise less than this amount. In the event the Prospectus Offer is oversubscribed, the Company may apply scale backs.

In conducting any scale back, the Board may take into account a number of factors including the date that the applications are received and the extent to which the applicant has sold or purchased Shares since the Record Date. This means that the Company may reject certain applications, in whole or in part. Accordingly, Talga encourages Eligible Shareholders who wish to participate to act promptly when the Prospectus Offer opens.

Under Listing Rule restrictions the Company's Directors are not able to participate in the Prospectus Offer without prior Shareholder approval. Since Shareholder approval has not been obtained, the Directors are not eligible to participate in the Prospectus Offer.

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

The indicative timetable for the Prospectus Offer is as follows, and will be confirmed when the Prospectus is dispatched:

Event	Date
Record Date for Prospectus Offer (5:00pm (AWST))	Friday, 26 July 2024
Prospectus lodged with ASIC and ASX	Friday, 9 August 2024
Prospectus Offer opens and dispatch of Prospectus to Eligible Shareholders	Friday, 9 August 2024
Closing Date for Prospectus Offer (5.00pm (AWST))	Friday, 23 August 2024
Announcement of results of Prospectus Offer	Thursday, 29 August 2024
Settlement of New Shares issued under the Prospectus Offer	Thursday, 29 August 2024
Holding statements in respect of New Shares issued under the Prospectus Offer	Thursday, 29 August 2024
Normal trading of New Shares issued under the Prospectus Offer	Friday, 30 August 2024

¹ The Company may, in its absolute discretion, scale back 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 Prospectus Offer at any time before relevant New Shares are issued, subject to regulatory requirements.

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

Loyalty Options

In recognition of Talga's supportive shareholder base, the Company will consider undertaking a bonus issue of loyalty options ("**Loyalty Options**") in which shareholders in eligible jurisdictions (being Australia and New Zealand, with others to be determined) registered on a record date, will be entitled to participate. Should the Company proceed with the issue of Loyalty Options, the offer will be made under a separate prospectus to the Prospectus Offer. The indicative terms:

- ratio would be 1 Loyalty Option for every 8 shares held;
- issue price for a Loyalty Option would be nil (as the issue would be a bonus issue);
- exercise price would be within a range of A\$0.50/share to A\$0.55/share;
- expiry date would be 12 months after the issue of the Loyalty Option; and
- record date would be within 1 month after close of the Prospectus Offer.

The Company presently expects to make a decision about whether to proceed with offering the Loyalty Options shortly after completion of the Placement. Further details will be provided to the market should the Company proceed with the Loyalty Options.

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

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About Talga

Talga Group Ltd (ASX:TLG) is a leader in the development of sustainable battery materials. Via innovative technology and vertical integration of our 100% owned Swedish graphite resources, Talga offers a secure supply of products critical to the green transition.

Talga's flagship product, Talnode[®]-C, is a natural graphite anode material made using renewable energy for a low emissions footprint. Battery materials under development include an advanced silicon anode product and conductive additives for cathodes. Website: www.talgagroup.com

Not an offer in the United States

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