

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.

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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

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