ASX Release
30 October 2026

ASX:TLG

Quarterly Activities Review

For period ending 30 September 2026

Battery materials and technology company Talga Group Ltd ("Talga" or "the Company") is pleased to report its activities for the Quarter ending 30 September 2026 ("Quarter" or "Q1").

Commercial and project development

- Commenced commercial deliveries of high-power Talnode®-C to offtake partner Nyobolt from the EVA plant in Sweden, transitioning from qualification to first commercial natural graphite anode produced outside Asia.
- Advanced Japanese customer and partner engagement towards binding anode supply agreements, including LOIs with Mitsubishi Chemical, Dainen Materials and Hanwa, with a binding offtake term sheet subsequently executed with Dainen.
- Expanded EU customer base via LOI with EAS Batteries of Germany for high-performance European battery manufacturing and upgraded commercial relationship with France's Verkor from EV's to include Energy Storage Systems and other specialist applications.
- Made first anode product deliveries into the US market for high-performance, defence-grade applications.
- Progressed Industriklivet FEED study work packages under the Swedish Energy Agency extension.
- Evaluated additional anode production locations, including USA and France with access to supportive government incentives and low-cost clean power.
- Signed MoU with Fortum Battery Recycling to explore recycled graphite feedstock, blended anode products and power supply solutions for Vittangi.

Corporate and finance

- Continued advancing co-investment structures and bilateral government partnership frameworks across Europe, US and Japan.
- Received A$69,000 in customer receipts for product samples.
- Cash balance of A$10.8 million as at 30 September 2026, with significant one-off project pre-construction costs supported by the Swedish Energy Agency Industriklivet grant.

Talga Group CEO, Martin Phillips, commented: *"We are pleased to report a Quarter of tangible commercial progress that marks the transition from multi-year development into real anode supply. After years of intensive technical work, customer qualification and process development, Talga is now delivering commercial quantities of natural graphite anode produced outside Asia into the global battery supply chain from its Swedish operations.*

This positions the Company as one of the few Western producers of high-performance, FEOC-free anode material with full ownership of both its resource and proprietary process technology at a time of rising demand for secure battery materials."

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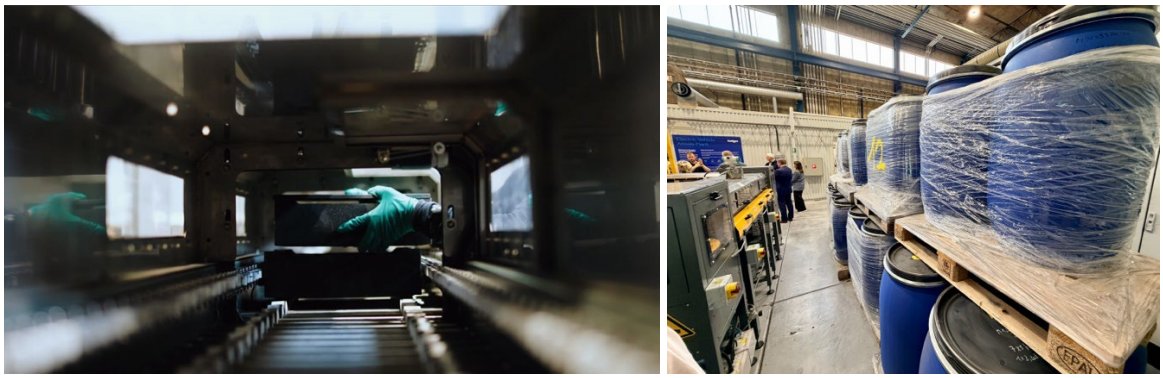
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Commercial and project development

Commercial anode deliveries begin

Talga commenced commercial shipments of Talnode®-C from its EVA demonstration plant in Luleå, Sweden, to ultra-fast charge battery company Nyobolt under the existing offtake agreement (ASX: TLG 14/05/2025). The first shipment of approximately 4 tonnes of anode product was delivered at the contracted commercial price following successful final customer qualification and auditing (ASX: TLG 03/07/2026). This marks the transition from qualification volumes to ongoing commercial supply, and it is understood to be the first commercial natural graphite anode produced outside Asia to enter the global battery supply chain. The active anode material (AAM) was produced from Talga's 100% owned Swedish graphite resources using the Company's proprietary process technology.

Talnode®-C has been qualified by Nyobolt for applications requiring high power density and ultra-fast charging. While specific applications are in commercial confidence, Nyobolt has demonstrated electric vehicle systems capable of charging from 10% to 80% in under 5 minutes, in-rack power systems for AI data centres and industrial robotics. These end uses highlight growing demand for high-performance anode beyond conventional passenger EVs, as industries prioritise productivity, uptime and energy security.



Photos: Talnode®-C production at EVA plant, Sweden (left) and ready for delivery (right).

Japanese commercial engagements advance

Talga progressed commercial discussions with several Japanese partners during the Quarter. Non-binding Letters of Intent ("LOI") were signed with Mitsubishi Chemical Corporation (focused on hybrid electric vehicle battery applications, ASX:TLG 06/07/2026), Dainen Materials Co., Ltd (Japanese battery market, ASX:TLG 16/07/2026) and Hanwa Co., Ltd (potential long-term offtake and project-level investment in the Vittangi Anode Project, ASX:TLG 27/07/2026). All pathways continued toward binding offtake term sheets and more definitive documentation subject to due diligence and commercial negotiation.

In line with its strategic objective of providing premium, high-performance graphite products and secure supply chains, Talga is strengthening engagement with Japanese trading houses, materials companies and government bodies.

Sweden has a range of bilateral agreements current with Japan, including a Memorandum of Cooperation on Energy and Innovation with Japan's Ministry of Economy, Trade and Industry (METI), that includes a focus on energy transition and batteries. Talga appreciates the support of Business Sweden staff in Tokyo and Stockholm, and the Embassy of Sweden in Japan in its activities.

Post Quarter-end, Talga and Dainen executed a binding offtake term sheet reserving 2,000 tonnes per annum of Talnode®-C capacity for an initial five-year term, with deliveries expected to commence ramping from the EVA plant in late 2027 (ASX: TLG 28/10/2026). The arrangement includes negotiated pricing plus a premium reflecting FEOC-free and ESG characteristics and provides a pathway to a Master Supply Agreement by end of March 2027.

Dainen has worked with Talga for more than five years on product evaluation and supplies anode materials to leading Japanese manufacturers. The agreement also contemplates Dainen assisting with engagement of Japanese investors for potential co-financing of the Vittangi Anode Project.

EU and US customer pipeline expands

Talga signed a non-binding Letter of Intent with German specialist battery manufacturer EAS Batteries GmbH during the Quarter. The LOI sets out a structured pathway of product testing and qualification with the intention of moving toward a binding five-year supply agreement for Talnode® anode.

EAS makes high-performance lithium-ion cells and battery systems for demanding applications in maritime, aerospace, defence, automotive and industrial sectors, and has 30 years of experience in large-format cylindrical cells.



Photos: (left) Talga's Product Manager Zeynep Adali with MD Mark Thompson and Group Director, Corporate Development Sascha Keen; (right) Talga CEO Martin Phillips and EAS Batteries Commercial Director Thomas Schlenker execute LOI in Berlin.

Talga has also updated its existing LOI with French battery cell manufacturer Verkor to broaden the scope beyond automotive toward high-power cell formats, energy storage system applications, and wider European high-performance battery opportunities.

Verkor has inaugurated its Li-ion battery gigafactory in Dunkirk, France and is currently in the final ramp-up phase. The parties are now progressing toward a binding master supply agreement subject to final commercial terms and operational decisions.

A non-binding Memorandum of Understanding was executed with Norway's Fortum Battery Recycling to explore recycled graphite feedstock, joint development of blended anode materials, and power supply solutions for the Vittangi Anode Project. This supports longer-term feedstock flexibility and circular economy considerations within Talga's controlled process.

The Quarter also saw Talga's first delivery of anode material into the US market to a cell maker focussed on high power, defence-related applications. This expands the Company's exposure to specialised, high-performance end uses where secure Western supply and technical performance are prioritised.

Project developments

Work packages under the Front-End Engineering Design Study (FEED) continued, including work streams relating to stakeholder engagement, intellectual property, and risk management. Related production for customer validation was progressed, with FEED findings to inform ongoing financial evaluation with prospective financiers.

Talga also evaluated potential additional anode production locations beyond Sweden, including brownfield sites in France and USA with access to supportive financial incentives that can provide meaningful capital cost reductions.

Geopolitical developments and market dynamics

China continued to use its critical minerals dominance as a lever in trade relations as tensions with the West showed no signs of easing during the Quarter.

Deterioration in Beijing/Tokyo relations has seen an escalation in controls on Chinese exports to Japan, restricting dual-use technologies relating to miliary use and critical materials including natural graphite.

According to reports citing Chinese customs data, in August, China's exports of natural flake graphite and other natural graphite to Japan fell 36.5 per cent and 77.1 per cent, respectively, compared to export volumes a year earlier.

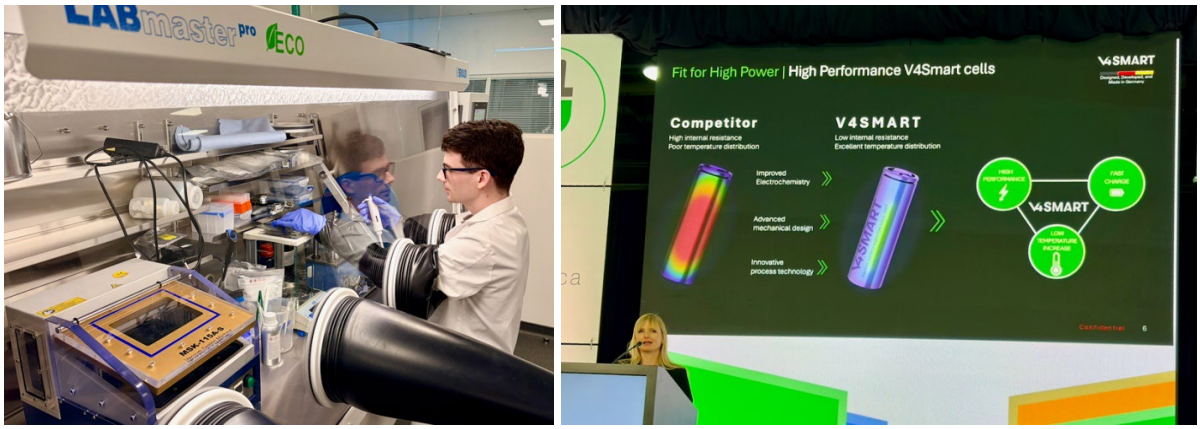
Since the initial export ban imposed in January, China has added 40 more Japanese entities to the list.

To counter the impact to its supply chains, Japan has initiated countermeasures both domestically and internationally to insulate its local industries from the supply blockages.

Meanwhile, as instability heightens, defence has emerged as a driver of battery demand applications primarily through battlefield assets like drones which have evolved from support systems into consumables.

This market dynamic is reflected in the increasing level of demand that Talga is experiencing from multiple United States and European battery manufacturers.

The global electrification process is now growing into ESS and other non-EV applications rapidly, supporting Research Nester's *Graphite Anode for Lithium-Ion Battery (LIB) Market* forecast of current graphite anode demand of 3.5 Mtpa set to exceed 23 Mtpa by 2035, offering significant opportunity for new anode producers.



Photos: (left) Talga R&D Technical Lead Rhys Peacock at the Company's Cambridge lab; (right) Talga customer V4Smart's Head of R&D Dr. Verena Drews presenting at The Battery Show North America showing performance focus.

Tenement Interests

As required by ASX listing rule 5.3.3, details of the Company's interests in mining tenements are set out in Appendix 1. No new joint ventures or farm-in/farm-out arrangements occurred during the Quarter.

Financial

Talga continued to advance co-investment structures across European, US and Japanese jurisdictions to support the financing pathway for the Vittangi Anode Project.

Customer receipts for product samples totalled A$69,000 during the Quarter. Significant one-off pre-construction and technical activities associated with the Vittangi Anode Project resulted in higher-than-usual expenses, which were supported by the Swedish Energy Agency's Industriklivet grant.

Cash on hand was A$10.8 million as at 30 September 2026. The Company was capitalised at approximately A$138 million based on the closing price on that date. The Company has 510.9 million quoted ordinary shares and 43.6 million unlisted options/performance rights on issue.

ASX Appendix 5B, Section 6

Payments to related parties of the entity and their associates during the Quarter totalled $227,000 comprising salaries, superannuation and consulting fees to Directors and associates.

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

For further information please contact:

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About Talga

Talga Group Ltd (ASX:TLG) is a global leader in the development and production of sustainable battery materials. Its flagship product, Talnode®-C, is a natural graphite anode material made in Sweden with an ultra-low carbon footprint.

Talga's range of battery materials under development include an advanced silicon anode product and conductive additives for cathodes. Talga's innovative technology and vertical integration of 100% owned Swedish graphite resources provides security of supply and creates additional value for stakeholders. Website: www.talgagroup.com

No New Information

To the extent that announcement contains references to prior technical information, exploration results and mineral resources; these have been cross-referenced to previous market announcements made by the Company. These have been disclosed to JORC 2012 standard. Unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements that assumptions and technical parameters underpinning the relevant market announcement continue to apply and have not materially changed.

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.

Appendix 1: Tenement Holdings as at 30 September 2026

Project/location	Tenements	Area (ha)	Interest at end of Quarter	Acquired during Quarter	Disposed during Quarter
Aero Project (Lithium) Norrbotten County, Sweden	Nilivaara nr 1	5273.11	100%		
	Suorravaara nr 6	4007.04	100%		
	Suorravaara nr 7	4259.3	100%		
	Suorravaara nr 3	2800	100%		
Jalkunen Project (Graphite) Norrbotten County, Sweden	Jalkunen nr 1	459.04	100%		
Raitajärvi Project (Graphite) Norrbotten County, Sweden	Raitajärvi nr 5	169.74	100%		
Vittangi Project (Graphite) Norrbotten County, Sweden	Nunasvaara nr 4	1057.06	100%		
	Nunasvaara nr 3	64.79	100%		
	Vittangi nr 2	1713.73	100%		
	Vittangi nr 6	1145.01	100%		

Mining Concession Holdings as at 30 September 2026

Project/location	Mining Concession	Area (ha)	Interest at end of Quarter	Acquired during Quarter	Disposed during Quarter
Vittangi Project (Graphite) Norrbotten County, Sweden	Nunasvaara Södra K nr 1	37.92	100%		
	Nunasvaara Norra K nr 1	18.54	100%		
	Niska Södra K nr 1	5.68	100%		
	Niska Norra K nr 1	9.50	100%		

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Talga Group Ltd	
ABN	**Quarter ended ("current quarter")**
32 138 405 419	30 September 2026

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	69	69
1.2	Payments for		
	(a) exploration & evaluation[(i)]	(1,069)	(1,069)
	(b) development[(ii)]	(958)	(958)
	(c) qualification plant production[(iii)]	(372)	(372)
	(d) staff costs - corporate	(514)	(514)
	(e) administration and corporate costs	(603)	(603)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	25	25
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants	-	-
1.8	Other - R&D claim & Joint Development Agreement [(v)]	283	283
1.9	**Net cash from / (used in) operating activities**	**(3,139)**	**(3,139)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(4,464)	(4,464)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) Other	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	7	7
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other - Swedish Energy Agency's Industrial Leap ("Industriklivet") program	-	-
2.6	**Net cash from / (used in) investing activities**	**(4,457)**	**(4,457)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	18,666	18,666
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,139)	(3,139)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,457)	(4,457)

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(299)	(299)
4.6	**Cash and cash equivalents at end of period** [(iv)]	**10,771**	**10,771**
5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	6,960	10,126
5.2	Call deposits	3,811	8,540
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)** [(iv)]	**10,771**	**18,666**

Notes

(i) Exploration and evaluation include Sweden, exploitation permitting costs and all Sweden admin & labour costs not associated with production. Note, any costs associated with the Swedish Energy Agency's Industrial Leap (IK1) programme have been reallocated to the PPE at 2.1 (c).

(ii) Development includes UK product development and German test facility operations including associated admin & labour costs.

(iii) EVA plant anode sample production costs. Any costs associated with IK1 have been reallocated to PPE at 2.1(c).

(iv) Cash at the end of the period includes IK1 $4.068 million (SEK 28.297 million) grant funding (see section 7.6 below) from the Swedish Energy Agency to advance the Vittangi Anode Project. The funds are held in reserve and may only be utilised upon satisfaction of the conditions set out in the IK1 Grant Agreement. These funds are held in Swedish Krona and valued at the AUD/SEK FX rate as at 30 September 2026. The Australian dollar has appreciated against the Swedish Krona since June 2026 resulting in an FX adjustment as at 30 June 2026.

(v) Other cashflows from Operating activities consist of $223,757 (GBP 117,537) R&D claims received; and $58,450 (GBP 30,703) Joint Development Agreement (Aurubis) costs recharged.

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	227
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other		
	- Grant funding	133,000	13,000
	- Bank guarantee facility	31,000	26,000
7.4	**Total financing facilities**	164,000	39,000

7.5	**Unused financing facilities available at quarter end ***	125,000
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

* Note, whilst these financing facilities are secured, the financing facilities are conditional on activities (and associated costs) being completed with subsequent drawdown thereafter and as such are not classified as available at the end of the quarter.

7.3 – Grant funding

• A$13 million (SEK 82.6 million) grant funding from the Swedish Energy Agency (Energimyndigheten) to advance the Vittangi Anode Project (See ASX: TLG 17 Oct 2025). This will partly fund the “sustainable, low emission active anode material made from natural graphite and recycled graphite" project which has a total value of SEK 190 million (~A$30.8 million).

The project will validate this low-emission, low-cost process at near-industrial scale, informing engineering design for the commercial plant and completing qualification of these anode products with customers. On 1 September 2026, the Swedish Energy Agency approved the extension of the project following two approved extensions, the project end date has now been extended to June 30, 2027. Any funds received that have not been used by Talga AB for this purpose shall be repaid to the Swedish Energy Agency, conditional upon filing a "Final report" inclusive of an auditor's certificate by 25 August 2027 confirming compliance with the terms of the grant.

• A$120 million (€70 million) EU grant funding for development of Vittangi Anode Project – Lulea Refinery (See ASX: TLG 25 Oct 2024). No drawdown on activities.

7.3 – Bank guarantee

• A$31 million (SEK 210 million) unsecured environmental bond facility (Facility) from surety company Atradius used to meet environmental bonding requirements as agreed in the granted environmental permit for the Vittangi Anode Project. Premiums are payable quarterly in advance on outstanding exposure under the Facility, at a commercial rate. The Facility is subject to annual review by the parties and continues in force until terminated by either party. The maturity date for each guarantee or bond issued under the Facility to be agreed by the parties upon issuance of the relevant instrument (See ASX: TLG 30 Nov 2023).

8.	**Estimated cash available for future operating activities**	**$A’000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,139)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,139)
8.4	Cash and cash equivalents at quarter end (item 4.6)	10,771
8.5	Unused finance facilities available at quarter end (item 7.5) *	-
8.6	Total available funding (item 8.4 + item 8.5)	10,771

8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)** *Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*	**3.43**
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: n/a	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: n/a	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: n/a	
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2026

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.