

FREYR and Talga sign MOU for supply of battery anode materials

Battery anode company Talga Group Ltd (“Talga” or “the Company”) (ASX:TLG) is pleased to announce it has signed a Memorandum of Understanding (“MOU”) regarding supply of Talga’s Swedish active anode materials (Talnode®) for FREYR’s battery cell production under development in Norway.

Background

Talga and FREYR are committed to jointly test and potentially develop large scale, sustainable and competitive solutions to help accelerate the development of local Nordic supply chains for production of clean, low-cost batteries.

Agreement and Term

Under the MOU, Talga and FREYR will work towards the commercial supply of Talga's Talnode® range of anode materials for FREYR’s planned operations, including customer qualification plant, 5-11 GWh production ramp up and subsequent 32 GWh Giga-factory. The parties intend discussing binding long term supply agreements as well as other business models, including licensing of Talga anode technologies or Joint Ventures.

The agreement also includes studies into potential operational synergies such as Talga co-locating operations within FREYR’s production facilities for the scale-up of new anode materials and technologies at industrial level for battery manufacturing.

The MOU is non-binding and for a term of 2 years, in which the intent is to execute formally binding agreements as required. The agreement may be terminated by either party on 30 days' notice.

Commenting on the agreement, Talga Managing Director Mark Thompson said: *“We are very pleased to be working with FREYR to explore the use of our world-leading graphite and silicon anode materials and technology in their sustainable, high-performance battery cells. Additionally, we are pleased to discuss potential synergies towards strengthening our respective strategic positions in the global electric vehicle battery supply chain.”*

Tom Einar Jensen, CEO of FREYR, commented: *“Developing a local supply of battery materials made with renewable energy under strong ethical and governance frameworks is a key element of FREYR’s strategy. By combining next-generation cell design and production technology with Norway’s low-cost renewable energy, and by unlocking sustainable localized supply chains enabled by companies such as Talga, FREYR is moving closer to realizing our ambition of producing large volumes of low-cost battery cells with one of the lowest carbon contents in the world.”*

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

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About FREYR AS

FREYR plans to develop up to 43 GWh of battery cell production capacity by 2025 to position the Company as one of Europe's largest battery cell suppliers. The facilities will be located in the Mo i Rana industrial complex in Northern Norway, leveraging Norway's highly skilled workforce and abundant, low-cost renewable energy sources from hydro and wind in a crisp, clear and energized environment. FREYR will supply safe, high energy density and cost-competitive clean battery cells to the rapidly growing global markets for electric vehicles, energy storage, and marine applications. FREYR is committed to supporting cluster-based R&D initiatives and the development of an international ecosystem of scientific, commercial, and financial stakeholders to support the expansion of the battery value chain in our region.

For more information, please visit www.freyrbattery.com

About Talga

Talga Group Ltd (ASX:TLG) is building a vertically integrated, European based operation to produce ultra-low emission graphite anode for local battery manufacturers and automotive OEMs. In addition to shortening supply chains and offering secure local supply, Talga's green anode products can help achieve the de-carbonisation objectives of both European manufacturers and regulators.

In November 2020, Talga signed a Letter of Intent with LKAB and Mitsui ([ASX:TLG 2 November 2020](#)) to explore joint development opportunities for the Company's Vittangi Anode Project planned to produce 19,000 tonnes per year of battery anode, equivalent to ~19GWh of battery capacity, commencing 2023 ([ASX:TLG 23 May 2019](#)). In December 2020, Talga announced the positive outcomes from its Niska Scoping Study ([ASX:TLG 7 December 2020](#)) outlining the Company's 2025-2026 expansion plans towards total 104,000 tonne per year anode production.

As part of this on-going project development Talga is engaging directly with lithium-ion battery manufacturers and automotive OEMs, whereby the Company's graphite and silicon anode products (Talnode®) are undergoing qualification for a range of Automotive, 3C (Computers, Cell Phones, Consumer Electronics) and ESS (Energy Storage Systems) applications.

Commercial customer samples are produced across Talga's existing demonstration and pilot facilities, and with toll partners in Europe and Japan. Construction of a Talga Electric Vehicle Anode qualification plant in northern Sweden to produce larger scale commercial active anode samples for EV batteries is underway with initial sample output targeted for Q1 2022 ([ASX:TLG 19 April 2021](#)).

Company website: www.talgagroup.com

