

LKAB and Mitsui Extend Talga LOI for Swedish Graphite Anode Project

Battery anode and advanced materials company Talga Group Ltd (“**Talga**” or “**the Company**”) (**ASX:TLG**) is pleased to advise that the Letter of Intent (“LOI”) executed with Luossavaara-Kiirunavaraa Aktiebolag (“**LKAB**”) and Mitsui & Co. Europe Plc (“**Mitsui**”) (**ASX:TLG 2 November 2020**) has been extended by mutual agreement until 30 November 2021.

The LOI considers co-development of Talga’s initial European green anode project for lithium-ion batteries. This includes construction of a scalable 19,000tpa anode production facility and integrated graphite mining operation in northern Sweden (“Vittangi Anode Project”) (**ASX:TLG 23 May 2019**) with an additional 85,000tpa expansion opportunity (“Niska Project”) (**ASX:TLG 7 December 2020**).

Since entering the LOI LKAB and Mitsui have been undertaking due diligence, including customer interactions, and advanced discussions on potential joint development. Terms of the potential joint venture are being positively progressed but remain to be agreed to and the parties will continue negotiations under the extended LOI.

The LOI extension provides LKAB and Mitsui the non-exclusive right to negotiate and enter into a binding joint venture agreement with Talga by 30 November 2021, or as mutually agreed. All other terms of the LOI remain unchanged.

Commenting on the agreement, Talga Managing Director Mark Thompson said: *“Talga is very pleased to progress JV partner discussions with LKAB and Mitsui for the development of our European anode supply chain to serve the lithium-ion battery market from our Swedish operations. We look forward to continue exploring potential synergies across operations, investment and global sales/distribution in our partnership negotiations.”*

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

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About LKAB

LKAB is an international mining and minerals group that offers sustainable iron ore, minerals and special products. We are committed to developing carbon-free processes and products by 2045, leading the transformation of the iron and steel industry. Since 1890 we have developed through unique innovations and technological solutions and are driven forward by more than 4,500 employees in 12 countries. In 2020, the LKAB group had sales of about SEK 34 billion.

Read more on www.lkab.com and www.lkabminerals.com

About Mitsui

Mitsui & Co. Europe Plc is the wholly owned subsidiary of Mitsui & Co., Ltd. (8031: JP), a global trading and investment company, multilaterally pursues a broad variety of business projects that range from product sales, worldwide logistics, financing and equity investment to major international infrastructure developments, in the following fields: Iron & Steel Products, Mineral & Metal Resources, Infrastructure Projects, Mobility Business, Chemicals, Energy, Foods & Retail Business, Consumer Services, Innovation & Corporate Development.

Company website: www.mitsui.com

About Talga

Talga Group Ltd (ASX:TLG) is building a European battery anode and graphene additives supply chain, to offer advanced materials critical to its customers' innovation and the shift towards a more sustainable world. Vertical integration, including ownership of several high-grade Swedish graphite projects, provides security of supply and creates long-lasting value for stakeholders.

Company website: www.talgagroup.com

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. 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.

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