ASX Release
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ASX:TLG

Talga signs binding offtake term sheet with Japan's Dainen Materials

Battery materials company Talga Group Ltd ("Talga" or "the Company") has executed a binding offtake term sheet ("Agreement") with Japan's Dainen Materials Co., Ltd ("Dainen") for the supply of Talnode®-C high-performance anode material from Sweden.

The agreement follows the July 2026 Letter of Intent (ASX:TLG 16/07/2026) and extensive testing of Talnode®-C against the most rigorous specifications of Dainen's Japanese battery customers. It positions Talga as a new Western supplier of high-performance, traceable and low-emission natural graphite anode material, supporting Japanese industry's focus on more secure and independent strategic supply chains.

Dainen is a leading Japanese supplier of quality battery anode materials to major global automotive, energy storage and electronics manufacturers.

Talga Group CEO, Martin Phillips, commented: *"The progression to a binding offtake term sheet with Dainen reflects the successful maturation of Talnode®-C through years of intensive testing and customer qualification in one of the world's most demanding battery markets. It confirms Talga's ability to deliver high-performance, fully traceable anode material from a Western supply chain."*

Dainen Materials Executive Vice President, Daisuke Hayabara, commented: *"Dainen's mission is to secure sustainable, traceable and diversified battery material supply chains for our customers. We are delighted to have signed this term sheet with Talga, a new supplier of graphite anode material. We look forward to working together toward the definitive Master Supply Agreement and the continued qualification of Talnode®-C with our customers."*

Key terms of the agreement include:

- Binding reservation of up to 2,000 tpa of Talnode®-C capacity for Dainen or its customers.
- Five-year term from expected start of delivery in late 2027, with extension rights.
- Pricing linked to negotiated price floor plus a mutually agreed FEOC-free / ESG / traceability premium (USD, EXW).
- Binding obligation on both parties to use commercially reasonable efforts to execute the definitive Master Supply Agreement by March 2027.

The agreement is binding as to the capacity reservation, commercial framework and negotiation obligations. Final purchase volumes will be confirmed in the Master Supply Agreement. This represents a significant binding offtake milestone for Talga with a high-quality anode supplier to Japanese industry.

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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, recycled graphite anode material and conductive additives for cathodes.

Website: www.talgagroup.com

About Dainen Materials Co., Ltd.

Dainen Materials Co., Ltd. is a leading Japanese Tier 1 manufacturer and distributor of battery materials, supplying anode active materials for lithium-ion batteries to Japan's leading automotive, energy storage, and electronics manufacturers. Established in 2017 as part of the Dainen Group, the company has grown into a fully integrated player spanning anode material manufacturing, black mass trading, and battery recycling. Dainen's mission is to secure sustainable, traceable, and diversified critical battery material supply chains for its customers.

Website: https://www.dainenmaterials.com

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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.

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