talga

ASX Release

ASX:TLG

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Talga Enters Offtake LOI with Dainen for Japanese Battery Anode Supply

Battery materials company Talga Group Ltd (“Talga” or “the Company”) is pleased to announce it has signed a non-binding Letter of Intent (“LOI”) with Japan’s Dainen Materials Co., Ltd (“Dainen”) for the supply of its flagship battery anode material Talnode®-C from the Vittangi Anode Project in Sweden.

The strategic offtake LOI marks a significant commercial milestone and follows five years of close technical cooperation between the parties to develop and provide Talnode®-C for the highly demanding Japanese battery market. It establishes a clear pathway toward a long-term binding offtake agreement in 2026 and strengthens Talga’s position in one of the world’s most quality-focused battery markets.

Key terms of the LOI include:

- Targeting September 2026 to negotiate a binding term sheet, with the goal of executing a definitive long-term Strategic Anode Offtake Agreement (“SAOA”) by December 2026.
- The parties will actively support further qualification of Talnode®-C to meet the specifications of Dainen’s Japanese battery manufacturers and customers.
- Talga will provide full transparency on FEOC*-free status, supply-chain traceability, ESG performance and CO_2 footprint, with Dainen to conduct further site visits and audits.
- Dainen will assist Talga on a best endeavours basis in engaging Japanese investors to support co-financing for the Vittangi Anode Project.

The LOI is non-binding and binding obligations will only arise subject to the negotiation and execution of definitive agreements, the deadlines of which may be extended by mutual agreement. While no material financial impact is expected at this stage, Dainen offers high-performance, natural graphite anode materials to leading Japanese manufacturers of lithium-ion batteries and this engagement represents a significant commercial opportunity for Talga.

Talga CEO, Martin Phillips, commented:

"Dainen brings extensive experience as a key supplier of battery anode materials to Japan’s demanding hybrid and electric vehicle market, and we are most pleased to partner with them to grow our mutual business. As there is growing incentive to secure new sources of graphite anode for society’s critical battery applications, we look forward to providing our high-performance anode supply from Sweden."

Dainen Vice President Daisuke Hayabara commented:

"Dainen has partnered with Talga for over five years, and we have great confidence in Talnode®-C's quality and consistency for Japan's most demanding battery applications. As our customers place growing importance on transparent, traceable, and diversified supply chains, we see this LOI as a natural next step in our relationship and look forward to working toward a long-term offtake agreement that supports both Talga's growth and Japan's critical materials strategy."

*FEOC-free = Foreign Entity of Concern free

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

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

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.

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