

Talga COVID-19 Operational Update

Battery anode and graphene additives provider Talga Resources Ltd (“**Talga**” or “**the Company**”) (**ASX:TLG**) provides the following update on its response to the COVID-19 outbreak.

Talga has proactively implemented a range of measures to manage the effect of COVID-19 on the Company’s operations, focusing on the well-being of its people, partners and customers and seeking to limit impact on stakeholders.

Numerous new policies and procedures, aligned with directives from both state and federal governments and health departments across the four countries of Talga’s operations, have been put into effect and are summarised below.

Australia

Staff at Talga’s Head Office in Perth, Australia, are working remotely in delivering all corporate functions.

To maximise the Company’s capital position, Talga is implementing a group-wide cost reduction programme to reduce fixed and variable costs. As part of the cost reduction programme, the Company advises that for the remainder of the financial year the executive team, senior management and the board will undertake significant salary reductions, ranging 20% - 50%.

Development of the Vittangi Anode Project, including feasibility studies and discussions with significant customers, financiers and project development partners, continue with minor interruptions. Travel restrictions have impacted some due diligence processes such as site visits, and the Stage 1 DFS is now expected to be finalised in Q2 2020.

Sweden

The main focus of activities at Talga’s Swedish operations is project permitting with staff and contractors now working remotely. With statutory permitting for Stage 1 of the Vittangi Anode Project in northern Sweden submitted, and the environmental permit for Stage 1 mining operations received, the Stage 2 permit applications are currently being completed and expected to be submitted in Q2 2020.

Work on a scoping study of the Niska graphite deposit potential for battery anode production is at an advanced stage and the Company intends to deliver a separate market release to outline progress on the scoping study later this month.

Germany

Processing and sample piloting activities at Talga’s test facility in Rudolstadt continue, albeit on a reduced rate and subject to government recommended precautions.

Priority will be placed on finalising samples and materials already in production and the ongoing situation is being closely monitored with preparations underway for remaining operations to be further reduced or temporarily suspended if required.

The Company considers its current stocks of Talphite® and Talnode® products sufficient to meet demand in the short term and is, together with its partners in Europe and Japan, continuing to provide Talnode®-C and select graphene materials for ongoing customer programs at this time.



United Kingdom

Following the UK governmental quarantine rules, all staff at Talga's UK operations in Cambridge are working remotely. Dealings with customers continue using phone and video conferencing calls, with technical staff providing ongoing support to our Sales and Marketing team and partners.

Talga's participation across Innovate UK electric vehicle technology projects and customer graphene programs continue, albeit subject to quarantine restrictions including the temporary closing of facilities leased from the University of Cambridge. As onsite work is suspended, Talga data analysis, research, publications, reporting and commercial development continues remotely, and several options for external product development are being reviewed.

Talga Managing Director, Mr Mark Thompson: *"Our actions in response to COVID-19 have focussed on the health and safety of our people, partners and customers, as well as the communities in which we operate. Whilst this is our first priority, we have taken measures to allow Talga to continue moving critical initiatives forward, albeit in part at a slower rate, while minimising risks for the Company.*

In closely collaborating with our customers, partners and potential financiers, we are well placed to navigate this challenging period whilst continuing to maximise our progress."

Authorised for release by the Talga Board of Directors.

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About Talga

Talga Resources Ltd (ASX:TLG) is building a European source of battery anode and graphene additives, to offer graphitic products 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. Joint development programs are underway with a range of international corporations.

Company website: www.talgagroup.com

