

## Talga changes its tune

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Andrew Duffy

### **BIG changes are underway at Talga Resources, but they've got little to do with the company's graphite projects in Sweden.**

Instead they're focused on the corporate side, with the company eyeing a new strategy for its production and sales.

Moving forward, Talga's looking to have at least 50% of its production tailor made for end users, up from the 2-5% it was previously targeting.

The remainder will be sold on the bulk industrial market, and the changes come after feedback from potential customers.

"We're now realising that that bulk industrial product has got a massive amount of extra value in it if we tweak it," managing director Mark Thompson told *MiningNews.net*

"It's about converting what was otherwise a bulk product into a much more higher value product."

#### **Custom made**

The level of customisation needed in the graphite market is a little unique.

While most miners produce a simple concentrate or blend, many customers in the graphite world are looking for something more specific.

They could be asking for a 10 micron length particle that's two atoms thick, or they could be asking for something 20 times that size – either way, it's a lot different to most parts of the mining sector.

That obviously means the end product is more expensive, and Talga's now starting to realise that it's not just graphene that can attract a big premium.

Good prices can also be sought for nano and micro graphites, and that's a big lure for the company.

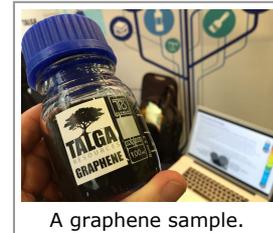
"That's where we're going. The battery manufacturers we've spoken to are very interested in that material going forward," Thompson said.

#### **Future products**

Like the big ticket graphene products, the nano and micro particles look set to find a home in things that aren't yet in commercial production.

"We want to be where the market is going, rather than where it is now," Thompson said.

"Where it is now is actually quite well supplied, to be honest."



A graphene sample.

That strategy sounds ok on paper, but the problem with looking too far forward is that the market's timeline might not line up with Talga's own development plan.

On that front, Thompson is confident the company will be selling into solid demand.

Many new applications are making their way to market and many others – like conductive inks – have already made their stamp.

Another problem Thompson is well aware of is the risk of over-customising.

“We’re talking about a level of customisation amongst maybe five or six main customers, not 100,” he said.

“Those five or six customers will be most of the volume that we want, and the remainder should be industrial if we can.”

### **The path ahead**

With the new strategy planned out, the focus remains on ramping up the pilot processing plant in Germany.

The plant will be commissioned in the next few weeks, and from there it will be up scaled until reaching the final phase at the end of next year.

That operation can run while Talga develops its project in Sweden, which will cost about \$A30 million.

Mine output will be targeting sectors that will be commercial in two to three years' time.

“The pilot plant is all about providing the samples that can help nail some of those markets for us versus for someone else,” Thompson said.

“That's a very different pathway to someone who has got to spend the next few years financing an ongoing series of studies to build a big mine for a hundred million somewhere.”



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