

Haydale Graphene Industries plc
(the “Company” or “Haydale”)

Collaboration Term Sheet with Talga Resources Limited

Haydale (AIM: HAYD), the group focused on the commercialisation of graphene and other nano particle products, is pleased to announce that it has signed a non-binding collaboration term sheet with listed Australian technology materials development company, Talga Resources Ltd (ASX: TLG) (“Talga”) (the “Collaboration”).

Talga has a simple and cost effective process to liberate graphene and graphite directly from its 100% owned natural graphite ore deposits in Sweden. Talga is close to commencing trial production in Germany and once mining at full capacity, Talga expects to be one of the worlds’ largest nominal cost producers of graphene nano platelets (“GNPs”). Pursuant to the Collaboration, Talga and Haydale will jointly explore business cooperation opportunities through the supply of Talga graphitic carbon nano-materials, graphite and GNP’s and testing thereof with Haydale’s value-add low temperature plasma treatment and end user demand chains.

The Collaboration provides the framework pursuant to which, Haydale and Talga can combine resources and expertise to significantly accelerate graphene commercialisation opportunities and deliver superior technology material solutions to end users at industrial scales using Talga’s graphene and other graphitic carbon nano materials.

The initial project will be for Haydale to analyse carbon nano material samples with a view to using those materials in various composite or ink research programmes and develop tailored finished or functionalised products that can be supplied to both Haydale and Talga’s end users or intermediaries for integration by them into their end use applications.

Haydale anticipate this initial project will, over time, lead to additional projects with associated revenue streams.

Commenting, Ray Gibbs, Haydale Chief Executive said:

“As a solutions provider with a unique enabling technology we are constantly seeking new nano materials to evaluate. Many customers are asking where the “second source” of material is and having an alternative supply is very important in commercial sales. We have been saying for a very long time that the successful commercialisation of graphene and other nano materials requires a consistent quality of the base nano material in order to be able to produce consistent results in the finished product which is why we are constantly looking for new sources to add to the already growing list of approved suppliers.

We have been talking to Talga for some time about its capabilities, their graphitic carbon nano-materials, and the potential synergies the companies share. We wish to fully evaluate these materials and ascertain what difference our functionalisation process can make. In particular, with the arrival of its German operations and near term large samples, now is the right time to enter into

a formal relationship, providing the framework for both parties to work together on a series of programs.”

Mark Thompson, Managing Director of Talga Resources added:

“We are delighted to enter into this collaboration with Haydale, who are positioned further down the supply chain from Talga and provide optimised graphene products tailored for specific applications. The speed at which industry will adopt graphene into real world applications is in part linked to the sophistication and nanomaterials handling capabilities of end users. In some circumstances, if materials are not in a format that can be mixed straight into the end product matrix, handling techniques can cause varied results. Haydale has an established track record providing these solutions but is looking for a sustainable quality source of graphitic carbon nanomaterials. Talga has a special and large natural source from which to produce low defect graphene, so there is a tremendous opportunity to upscale feed to Haydale’s processes and leverage from existing opportunities that Haydale has created.”

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For further information, please contact:

Haydale Graphene Industries plc	+44 (0) 1269 842 946
John Knowles, Chairman	
Ray Gibbs, Chief Executive Officer	
Cairn Financial Advisers LLP (Nomad)	+44 (0) 20 7148 7900
Tony Rawlinson, Emma Earl	
Cantor Fitzgerald Europe (Broker)	+44 (0) 20 7894 7000
David Foreman, Will Goode (Corporate Finance)	
David Banks, Tessa Sillars (Corporate Broking)	
Hermes Financial PR	
Trevor Phillips	+44 (0) 7889 153 628
Chris Steele	+44 (0) 7979 604 687

Notes to editors

About Haydale (www.haydale.com)

Haydale has developed a patent pending proprietary scalable plasma process to functionalise graphene and other nanomaterials. This enabling technology can provide Haydale with a rapid and highly cost efficient method of supplying tailored solutions to enhance applications for both raw material suppliers and product manufacturers.

Functionalisation is carried out through a low pressure plasma process that treats both organic mined fine powder and other synthetically produced nanomaterial powders producing high quality few layered graphenes and graphene nano platelets. The process can functionalise with a range of chemical groups, where the

amount of chemicals can be tailored to the customer needs. Good dispersion improves the properties and performance of the host material and ensures it delivers as specified.

The Haydale plasma process does not use wet chemistry, neither does it damage the material being processed, rather it can clean up impurities inherent in the raw material. The technology is a low energy user and most importantly environmentally friendly. The Haydale method is an enabling technology where working with a raw material producer can add value to the base product and tailor the outputs to meet the target applications of the end user.

Haydale, based in South Wales, housed in a purpose built facility for processing and handling nanomaterials with a laboratory facility, is facilitating the application of graphenes and other nanomaterials in fields such as inks, sensors, energy storage, photovoltaics, composites, paints and coatings.

About Talga (www.talgaresources.com)

Talga Resources Ltd (“Talga”) (ASX: TLG) is a technology materials company with a simple and cost effective process to liberate graphene and graphite directly from its 100% owned natural graphite ore deposits in Sweden. Talga’s unique deposits and proprietary processes provide a nominal cost path to high quality graphene production that overcome cost and volume barriers to graphene supply, thereby unlocking additive applications.

Trial mining is underway and commercial amounts of graphene platelets for industry will be provided at scale from Talga’s German pilot plant facility. The end applications may include the production of intermediates such as inks, polymers, master-batches and dispersions based on Talga graphene.