

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

TALGA RESOURCES LTD

ABN

32 138 405 419

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Quoted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 45,463,769 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Quoted options, exercisable at \$0.45 each and expiring 31 Dec 2018 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No – upon conversion into ordinary shares, the allotted and issued shares will rank equally in all respects with an existing class of quoted securities. The options do not entitle the holder to participate in the next dividend or interest payment</p>
<p>5 Issue price or consideration</p>	<p>\$0.02 per quoted option</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Non-renounceable pro rata entitlement offer of one (1) quoted option for every four (4) ordinary shares held on the record date to raise working capital to fund technical, commercial and mineral development programs in Germany and Sweden.</p>
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>27 November 2015</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A						
6f	Number of +securities issued under an exception in rule 7.2	N/A						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	To be confirmed upon completion of the Entitlement Offer.						
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	On or about 14 July 2016						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">146,284,060</td> <td>Ordinary fully paid shares</td> </tr> <tr> <td style="text-align: center;">45,463,769</td> <td>Quoted options, exercisable at \$0.45 each, expiring 31 December 2018</td> </tr> </tbody> </table>	Number	+Class	146,284,060	Ordinary fully paid shares	45,463,769	Quoted options, exercisable at \$0.45 each, expiring 31 December 2018
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Appendix 3B
New issue announcement

	Number	+Class
9	500,000	Unlisted \$0.45 options, expiring 3 October 2016
	2,000,000	Unlisted \$0.52 options, expiring 31 December 2016
	2,000,000	Unlisted \$0.52 options, expiring 31 December 2016
	2,000,000	Unlisted \$0.60 options, expiring 31 December 2016
	2,000,000	Unlisted \$0.65 options, expiring 31 December 2016
	2,400,000	Unlisted \$0.60 options, expiring 4 October 2018
	4,500,000	Unlisted \$0.60 options, expiring 4 October 2018
	2,500,000	Unlisted \$0.54 options, expiring 23 June 2019
	1,400,000	Unlisted \$0.54 options, expiring 20 August 2019
	1,000,000	Unlisted \$0.54 options, expiring 26 March 2020
	1,000,000	Unlisted \$0.54 options, expiring 17 December 2020
	2,000,000	Unlisted \$0.42 options, expiring 3 May 2019

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	Issue of options pursuant to a prospectus on the basis of one (1) quoted option for every four (4) ordinary shares held on the record date.
14	+Class of +securities to which the offer relates	Quoted options

+ See chapter 19 for defined terms.

15	+Record date to determine entitlements	23 June 2016
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Fractional entitlement will be rounded down to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Shareholders who do not have a registered address in Australia, New Zealand, Hong Kong, the People's Republic of China, the United Kingdom, Ireland, Bermuda, Jersey, British Virgin Islands or Switzerland.
19	Closing date for receipt of acceptances or renunciations	5 pm WST 7 July 2016
20	Names of any underwriters	Smedvig G.P. Limited as general partner for Smedvig Partnership LP, Kamberg Investments Ltd and Keith Liddell.
21	Amount of any underwriting fee or commission	Nil
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	28 June 2016
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	20 June 2016

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

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|----|--|--------------------------|
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do security holders sell their entitlements in full through a broker? | N/A |
| 31 | How do security holders sell part of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | ⁺ Issue date | On or about 14 July 2016 |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities (tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

⁺ See chapter 19 for defined terms.

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought N/A

39 +Class of +securities for which quotation is sought N/A

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

N/A

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A	

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Appendix 3B
New issue announcement

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:Date: 20 June 2016
(Company secretary)

Print name: Dean Scarparolo

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Note: To be confirmed upon completion of the Entitlement Offer.