

ASX:TLG

Talga Commences Graphite Infill Drilling at Vittangi

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Corporate Information

www.talgaresources.com

ASX Code TLG, TLGOA
Shares on issue 181.9m
Options (listed) 44.9m
Options (unlisted) 36.2m

Company Directors Keith Coughlan

Non-Executive Chairman

Mark Thompson

Managing Director

Grant Mooney

Non-Executive Director

Stephen Lowe

Non-Executive Director

Talga Resources Ltd ("Talga" or "the Company") (ASX Code: TLG) is pleased to advise that infill resource drilling has commenced at its 100% owned Vittangi graphite project in Sweden (see Fig 1).

The diamond core drill program is designed to infill Talga's high grade Northern Nunasvaara JORC Inferred mineral resource of 1.5 million tonnes ("Mt") @ 31.0% graphitic carbon ("Cg") which is part of the total Nunasvaara JORC resource of 9.8Mt @ 25.3%Cg (first released ASX:TLG 30 May 2016, for details see Table 1 and Fig 2). This drill program is to comprise ~10 holes for 1,000m and aims to upgrade the Northern Nunasvaara resource status, enabling inclusion in future feasibility studies and development planning to be completed.

The drill program is expected to be completed by end of September, after which drill testing is planned to commence at the Jalkunen and Piteå graphite projects.

For further information, visit www.talgaresources.com or contact:

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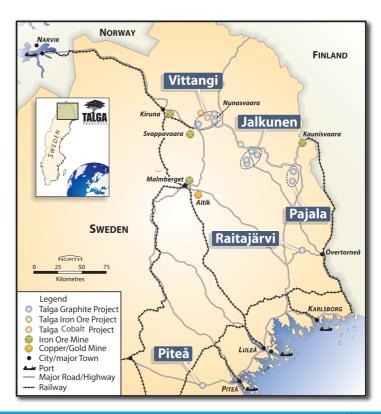


Figure 2 Current drilling area at Northern Nunasvaara, Vittangi graphite project. For details of historic drill results see ASX:TLG release 13 Nov 2014

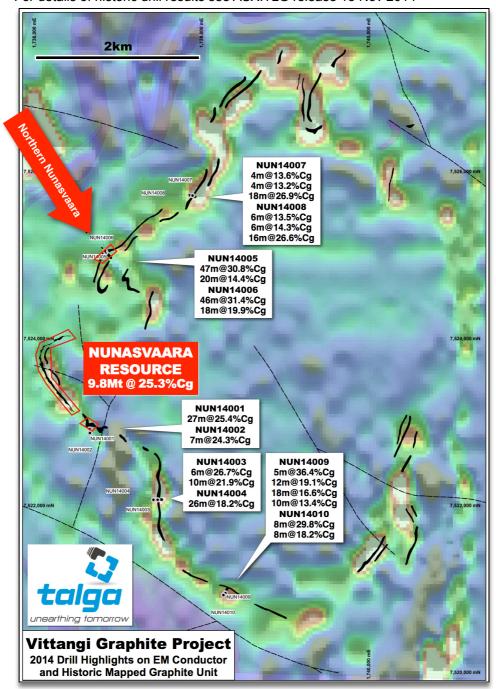


Table 1 - Nunasvaara JORC 2012 Resource (at 10% lower cut-off).

| Area | JORC Classification | Resource Tonnes | Grade Graphite (%Cg) |
|------------------------------------|------------------------|--------------------|-------------------------|
| Nunasvaara Historic Quarry Area | Indicated | 6,900,000 | 24.2 |
| Nunasvaara Historic Quarry Area | Inferred | 700,000 | 24.8 |
| | Total | 7,600,000 | 24.2 |
| Northern Nunasvaara | Inferred | 1,500,000 | 31.0 |
| Southern Nunasvaara | Inferred | 700,000 | 25.0 |
| Grand Total | | 9,800,000 | 25.3 |

About Talga

Talga Resources Ltd ("Talga") (ASX: TLG) is an industrial minerals company developing graphene and micrographite products for the advanced materials market.

Target markets include coatings, energy storage, construction products and composites, with Talga products having significant potential advantages in value and application range - owing to unique ore and patent pending process technology.

Talga sources graphite ore from its 100% owned deposits in Sweden, with pilot test processing at the Company's pilot test facility in Germany. Construction of commercial scale mining operations and on site processing plant in Sweden will commence post mine permitting and completion of commercial supply agreements. Collaborative testing is underway with a range of corporations including industrial conglomerate Tata and UK listed Haydale.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Mr Simon Coxhell, a consultant to the Company and a member of the Australian Institute of Mining and Metallurgy and Mr Mark Thompson, who is an employee of the Company and a member of the Australian Institute of Geoscientists. Mr Thompson and Mr Coxhell have sufficient experience which is relevant to the activity which is being undertaken to qualify as a "Competent Person" as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, mineral Resources and Ore Reserves" ("JORC Code"). Mr Thompson and Mr Coxhell consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to Resource Estimation is based on information compiled and reviewed by Mr Simon Coxhell. Mr Coxhell is a consultant to the Company and a member of the Australian Institute of Mining and Metallurgy. Mr Coxhell has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this document and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Mr Coxhell consents to the inclusion in this report of the Matters based on this information in the form and context in which it appears.