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High Grade Results Confirm and Extend Talga's Swedish Graphite Projects

- Sampling of historic drill core confirms high grades of graphite across multiple projects, including up to 33.3% graphitic carbon ("Cg")
- 26.7m @ 23.6% Cg at Nunasvaara confirms grades supporting current JORC compliant inferred resource
- New graphite result at Liviövaara extends strike up to 1800m

Talga Gold Limited (ASX: TLG; "Talga" or "the Company") is pleased to announce the receipt of analytical results from a programme of historic assay verification and re-sampling of selected historic drill cores for graphite.

The historic drill cores used in the programme were drilled at five of Talga's 100% owned Swedish graphite projects either by the Swedish Geological Survey (SGU) or Anglo America Group during the period 1958 – 2000. Talga accessed and re-sampled selections of the historic core to verify reported significant grades and intersections of graphite mineralisation. The intervals were selected for comparative purposes and may not necessarily represent the total widths of a mineralised unit.

Highlights of historic assay verification and re-sampling include the following:

DH 4488: Nunasvaara Deposit

- 26.7m @ 23.6% Cg from 41.8m

DH 1A: Lautakoski Prospect of the Jalkunen Project

- 40.6m @ 17.1% Cg from 25.12m
- 9.4m @ 24.6% Cg from 78.21m

DH 00LIV004: Liviövaara Prospect of the Pajala Project

- 4.0m @ 20.7% Cg from 32.00m
- 12.2m @ 13.7% Cg from 65.84m

Historic Assay Verification

Analytical results from the company's historic assay verification program generally closely correlate with historic assays as presented within the comparative table below:

Table 1. Details of re-sampled historic diamond drill holes comparing graphite grades.

Project	Drill Hole	Sampled from (m)	Sampled to (m)	Interval (m)	Historic Result % Cg	Re-assay Result % Cg
Nunasvaara	4587	103.0	116.0	13.0	4.6	4.2
	4588	41.8	69.5	27.7	24.0	23.7
Tiankijoki	TIA 3	36.4	38.4	2.1	5.6	6.2
	TIA 5	76.0	78.0	2.0	31.7	33.3
		83.0	85.0	2.0	27.2	29.3
		86.0	88.0	2.0	26.8	24.5
TIA 6	51.0	52.8	1.8	15.6	13.7	
Lehtosölkä	LEH 3	101.3	102.9	1.6	3.3	4.8
Lautakoski	1A	29.1	69.9	40.8	21.4	17.1
		78.2	87.6	9.4	35.0	24.6

NOTE: Due to limited core availability only selective sampling of narrow intervals was possible at the Tiankijoki and Lehtosölkä prospects. All depths and intervals are downhole.



New Graphite Assays - Liviövaara prospect, Pajala Project

Re-logging of drill holes completed by Anglo American Group targeting IOCG style mineralisation at the Liviövaara prospect has confirmed the continuation of significant graphite bearing stratigraphic units over a combined 1.8km strike length which are locally spatially associated with adjacent zones of copper bearing metasomatic alteration (Fig 2).

Both copper ± gold bearing alteration and graphite mineralisation was first identified by the SGU during 'scout' drilling of a large coincident magnetic and electrical geophysical anomaly in the 1980's which returned best downhole graphite intercepts of 5m @ 39.9% Cg (N-LIV2) and 8.4m @ 30.2% Cg (N-LIV3) (see appendix 1).

Within Anglo American drill hole 00LIV004 an approximately 55m down hole interval of foliated biotite-graphite bearing schist truncating two adjacent zones of metasomatic alteration respectively averaging 49m @ 0.15% Cu and 47m @ 0.19% Cu and a narrower silicified graphic schist located marginal to a metasomatic alteration zone in 00LIV003, which returned 39m @0.16% Cu, were selectively sampled for graphite (see appendix 2). Results of graphite sampling from these two drill holes returned the following results:

Table 2. Details of new sampling of historic diamond drill holes for graphite at Liviövaara project.

Project	Drill Hole	East RT90	North RT90	Azimuth	Dip	Hole Depth (m)	Sampled from (m)	Sampled to (m)	Interval (m)	Graphite % Cg
Liviövaara	00LIV003	1818746	7475018	270	-55	212.80	24.70	27.7	3.0	16.7
							28.2	30.0	1.8	21.1
	00LIV004	1818822	7476027	90	-70	208.70	32.0	36.0	4.0	20.7
							65.8	78.0	12.2	13.7

NOTE: Due to limited core availability only selective sampling of drillholes from the Liviövaara project was completed and analysed intervals do not necessarily represent the maximum width of a mineralised unit. All depths and intervals are downhole.

Sampling and Analysis

Samples consisting of quartered half core (original core diameter approximately 23mm) were analysed by SGS Laboratories in Lakefield, Canada with graphite and multi-elements respectively measured using the LECO and ICP techniques. Internal laboratory QAQC was completed during sample analysis as per ISO/IEC 17025 specifications and requirements.

Conclusions and next steps

Fresh drill programmes are currently underway on the Swedish graphite projects negating the need to continue working on the limited historic core material. Some preliminary mineral size work has been completed and will be reported when finalised, but work now focusses on new drilled core that will be subject to more comprehensive metallurgical testwork programmes including graphite flake size estimations, distribution analysis and preliminary flotation tests with final concentrate recoveries. These programmes will commence as soon as drill core is received from the drilling and will be integrated into the scoping studies, which are expected to commence in Q4.

Managing Director, Mark Thompson said "These assay results confirm the very high tenor of graphite mineralisation within our 100% owned projects in northern Sweden. They not only support the current JORC-code compliant resource at Nunasvaara but also reveal high graphite grades over much greater strike length than previously thought at Liviövaara."

"While the presence of copper and gold in the Liviövaara system over significant widths is worthy of further attention our focus remains on the potential fast tracking of graphite production. Talga's strategy to acquire high grade deposits in close proximity to infrastructure and end-user markets will likely ensure that as a potential first quartile cost producer, these projects would remain economically viable in an environment of weaker commodity prices."

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Figure 1. Talga's graphite projects and established transport infrastructure, north Sweden.

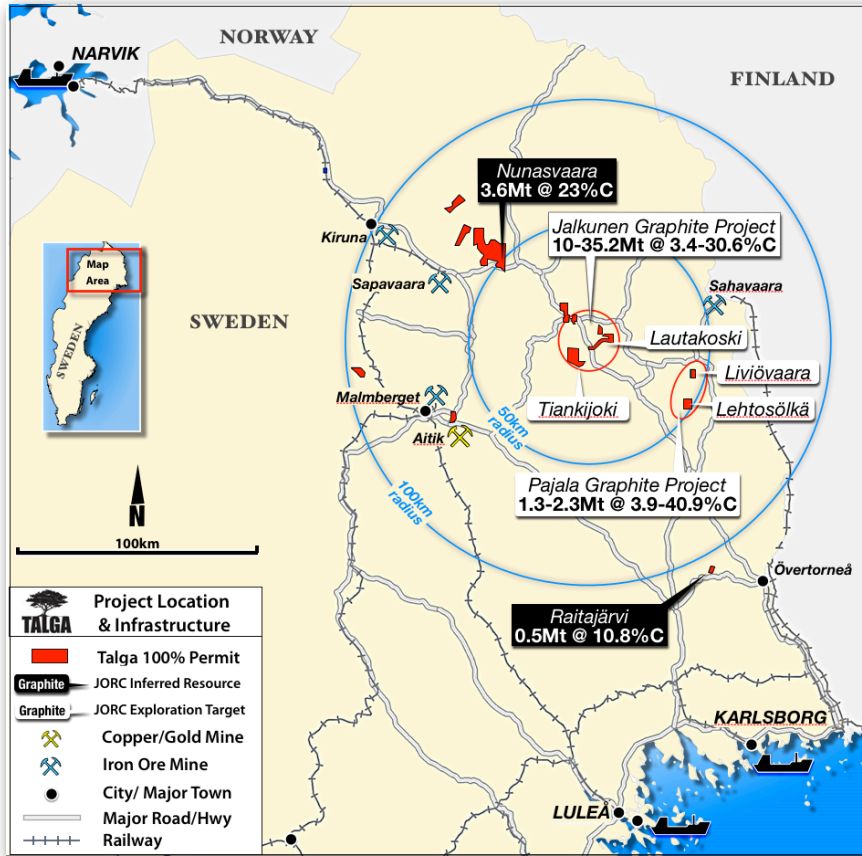
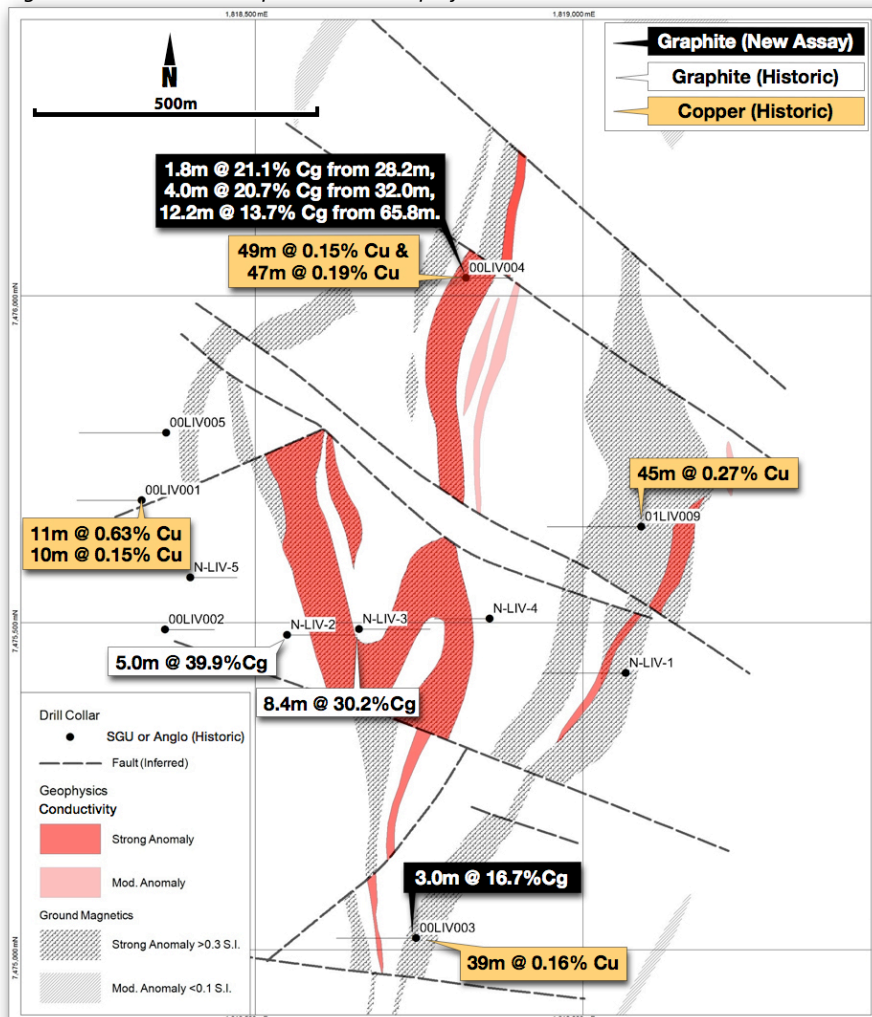


Figure 2. Drillhole location plan, Liviövaara project.



Appendix 1. Details of historic assays for graphite from historic diamond drill holes at Liviövaara.

Hole	East RT90	North RT90	Azimuth	Dip	Hole Depth (m)	From (m)	To (m)	Interval (m)	% Cg	Interval (m)	% Cg
N-LIV-2	1818549	7475481	90	-45	150.00	72.7	73.8	1.1	38.2	4.6	39.89
						73.8	74.8	1.0	40.6		
						74.8	75.6	0.8	38.6		
						75.6	76.5	0.9	43.1		
						76.5	77.3	0.8	39.0		
						80.2	82.2	2.0	21.6	2.0	21.60
N-LIV-3	1818659	7475490	90	-45	152.75	27.7	30.7	3.0	17.2	5.8	13.92
						30.7	33.5	2.8	10.4		
						137.7	141.2	3.5	36.5	8.4	30.23
						141.2	143.4	2.2	10.1		
						143.4	146.1	2.7	38.5		

Appendix 2. Details of historic assays for copper and gold from selected historic diamond drill holes at Liviövaara.

Hole	East RT90	North RT90	Azimuth	Dip	Hole Depth (m)	From (m)	To (m)	Interval (m)	% Cu	Au (ppb)
00LIV001	1818327	7475687	270	-60	199.70	115.30	126.75	11.45	0.63	565
						148.00	158.43	10.43	0.15	164
00LIV003	1818746	7475018	270	-55	212.80	106.20	145.20	39.00	0.16	3
00LIV004	1818822	7476027	90	-70	208.70	17.15	65.84	48.69	0.15	4
						118.70	166.10	47.40	0.19	13
01LIV009	1819090	7475647	270	-60	288.30	13.40	58.43	45.03	0.27	19

Notes:

- Significant copper intercepts calculated where total intercept is greater than 0.125% Cu over a 10m minimum interval with 10m maximum internal dilution.

ABOUT TALGA GOLD

Talga Gold (**Talga**) (ASX: "TLG") is a diversified mineral explorer with a portfolio of graphite, iron, copper and gold projects in Sweden and Western Australia.

Since listing in July 2010, Talga has been actively exploring its portfolio of gold projects in the Yilgarn and Pilbara regions of Western Australia. In 2011, Talga identified and subsequently acquired a number of graphite, iron and IOCG projects in Sweden.

GRAPHITE

Talga wholly owns a portfolio of advanced and high grade graphite projects in the Kiruna Mineral District of northern Sweden, all within a 110km radius of the central Jalkunen project.

The immediate focus is to advance multiple graphite projects towards development, with fast-tracking available due to the advantage of established quality infrastructure including power, road, rail and ports. Initially this will entail the expansion in size and upgrading of the categorisation of the existing high grade graphite resources published for Nunasvaara and Raitajärvi.

Additionally, it is also the Company's objective to complete drilling on a number of other projects, including the multiple JORC-code compliant exploration targets associated with the Jalkunen project.

IRON

Talga owns 100% of six exploration permits in the Kiruna mineral district recognised as containing significant iron ore deposits with considerable growth upside based on historic drilling and JORC compliant resources and exploration targets.

Talga's strategy is to advance the iron ore projects within the area and at an appropriate stage consider options to commercialise these assets either in their own right or in conjunction with other parties.

GOLD

Talga is actively exploring high grade gold projects in the Yilgarn and Pilbara regions of Western Australia. Additionally the Company owns several copper/gold projects within its Sweden portfolio.

¹ Exploration Targets

The term Exploration Target where used herein refers to mineralisation defined by historic diamond drill testing, geophysics and sampling conducted by the Geological Survey of Sweden and associated state companies that pre-date the creation of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code(2004) and so the potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. The Exploration Target is not being reported as part of any Mineral Resource or Ore Reserve.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Mr Dylan Jeffriess who is a member of the Australian Institute of Geoscientists. Mr Jeffriess is a consultant to the Company and has sufficient experience which is relevant to the activity to which he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Mr Jeffriess consents 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 2004 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.