



ASX Code: TLG

Talga Resources Ltd

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Corporate Information

ASX Code **TLG**

Shares on issue **53.30m**

Options (unlisted) **4.85m**

52 week high **A\$0.77**

52 week low **A\$0.12**

Cash (at 31 Oct) **A\$2.6m**

Company Directors

Sean Neary

Non-Executive Director &
Chairman

Mark Thompson

Managing Director

Piers Lewis

Non-Executive Director &
Company Secretary



TALGA SAMPLES UP TO 46.7% GRAPHITE ALONG STRIKE OF NUNASVAARA RESOURCE

- Very high grades returned from surface sampling along strike of Nunasvaara resource
- Metallurgical testwork on Nunasvaara deposit commenced
- Total Exploration Targets¹ revised to 117-178Mt @ 17-23% graphite across all Swedish projects

GRAPHITE PROJECTS UPDATE

Talga Resources Limited (ASX: TLG; "Talga" or "the Company") is pleased to announce an update on its 100% owned graphite projects in northern Sweden. Following the significant upgrade to the size and status of the Nunasvaara graphite resource (ASX:TLG 8 Nov 2012), metallurgical testwork has commenced. In addition the assay results of recent exploration combined with a review of historic drilling, trenching and geophysical data has indicated significant new Exploration Targets¹.

Outstanding Exploration Results along Strike of Nunasvaara

The Company has received assay results from Talga's reconnaissance rock geochemistry program completed in Q3 within the Company's 100% owned Vittangi graphite project. The program included 49 samples focussed on the graphite unit along strike from Nunasvaara. **Assay results include spectacular grades up to 46.7% graphitic carbon ("Cg") with an average grade of 26.2% Cg across all the samples.**

These outstanding assay results indicate the very high grade nature of the 15km long graphite unit and suggests substantial potential for further mineralisation to be defined in the project. Less than 8% of this unit has been drilled to date, which has produced Talga's JORC Indicated + Inferred resource of **7.6Mt @ 24.4% Cg** for 1,857,600 tonnes contained total graphite. The rock grab samples tested multiple sites where the graphite unit is exposed in historic trenches and workings (Photo 1). Sample location data is provided in Figure 1 and Table 2.

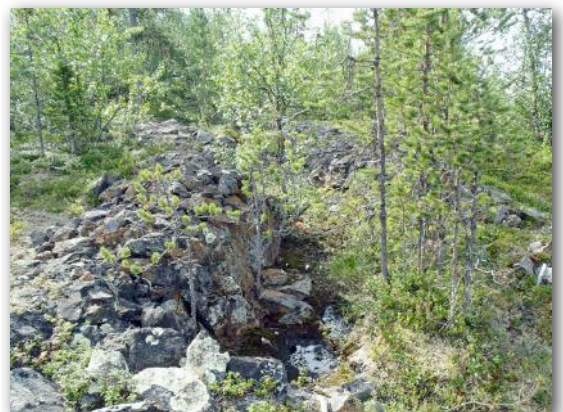


Photo 1. Airikurrkio graphite prospect, Vittangi project.

Metallurgy Commences

Metallurgical testwork has commenced on samples from the Nunasvaara deposit. Talga has appointed International Metallurgical Operations Pty Ltd to conduct the work with the scope of the program including basic flotation through to higher-level purification for producing value added graphite products. The approach is to take advantage of Sweden's location, high technology industry, very low cost power and established infrastructure to produce the most profitable graphite product.

Preliminary work is underway on near-surface samples (Photo 2) while approximately 2.2 tonnes of drilled core samples are en route to Perth for comprehensive analysis of recoveries, size, carbon content and graphite product specification.

Updated Graphite Exploration Targets¹

The results of recent sampling and review of historical drilling and geophysical data has allowed the estimation of new and updated graphite Exploration Targets¹ within Talga's 100% owned Swedish projects (Fig 2 and Fig 3).

The total JORC compliant Exploration Targets¹ estimated across the combined Vittangi, Jalkunen, Pajala and Raitajärvi projects for 0-100m depth now stands at 117-178Mt @ 17-23% Cg. This includes a maiden estimate at the Vittangi project of 46-70Mt at 19-24% Cg. For details see Table 1 below.

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Photo 2. Flotation tests on Nunasvaara graphite underway.

Table 1. Graphite Exploration Targets¹

Project	Exploration Target	Tonnage Range (Mt)	Grade Range (%Cg)
Vittangi	Nunasvaara	34-51	20-25
	Mörttjärn	10-16	15-20
	Maltosrova	2-3	20-30
Raitajärvi	Raitajärvi	7-9	8-11
Jalkunen	Lautakoski	39-52	19-27
	Jalkunen	13-26	13-18
	Tiankijokki	2-3	17-23
	Nybrännan	5-10	20-25
Pajala	Lehtosölkä	4-6	8-14
	Liviovaara	1-2	18-30
Total 0-100m depth		117-178	17-23

¹ Exploration Targets: The estimates of exploration target sizes in this announcement are in accordance with the guidelines of the JORC Code (2004) and should not be misunderstood or misconstrued as estimates of Mineral Resources. The potential quantity and quality of the exploration targets are conceptual in nature and 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.

Fig 1. Rock geochemical sample location plan, Nunasvaara graphite unit, Vittangi project.

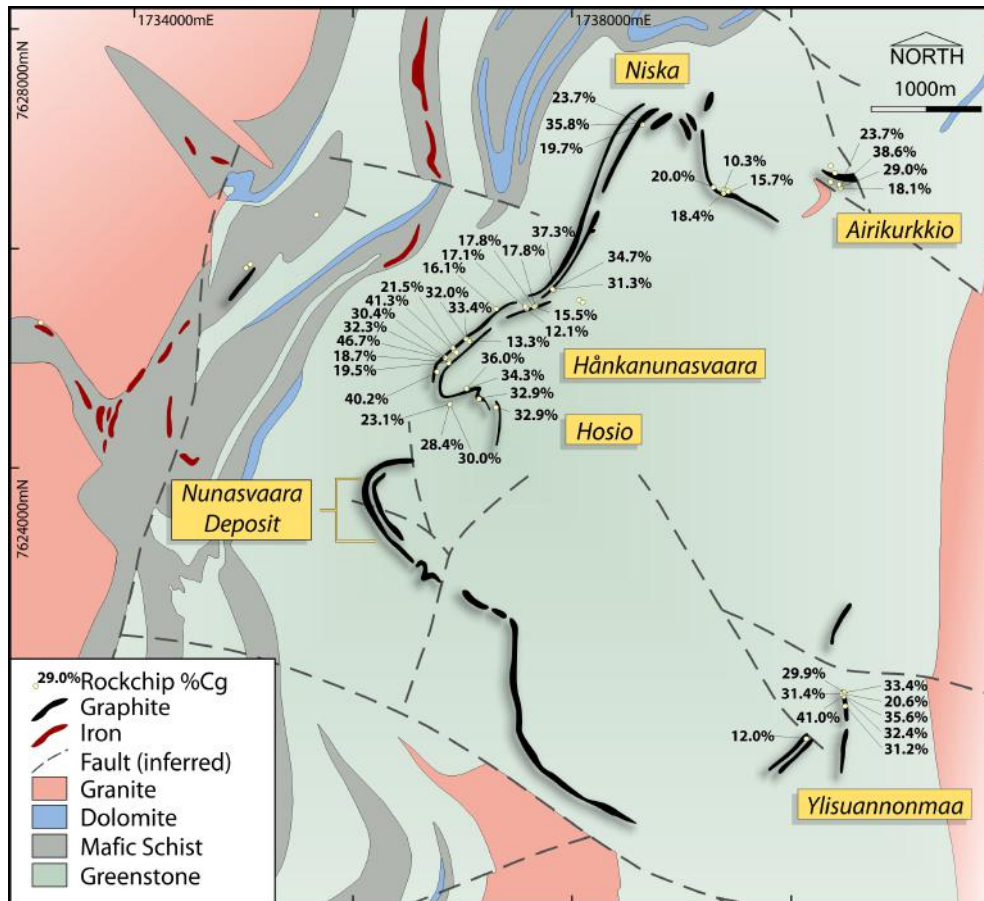


Table 2. Nunasvaara graphite unit rock sample location and assay results.

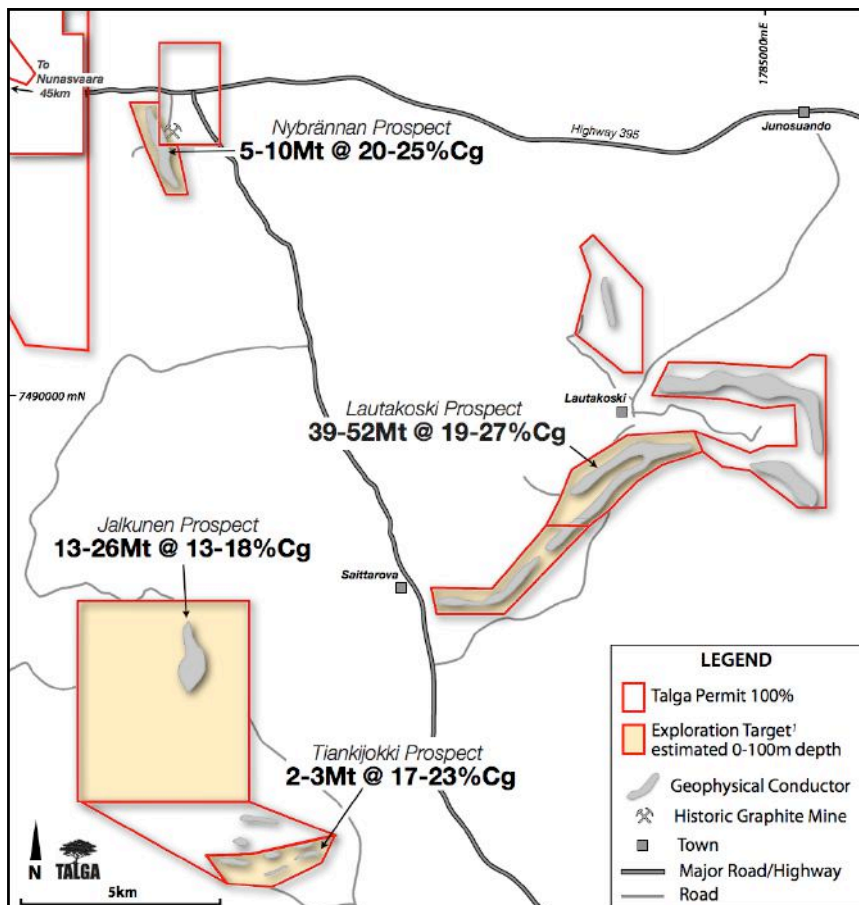
Sample ID	Prospect	East (RT90)	North (RT90)	% Graphite	Sample ID	Prospect	East (RT90)	North (RT90)	% Graphite
VTR001	Niska	1739287	7526559	19.9	VTR041	Hånkanunasvaara	1736928	7525056	41.3
VTR002	Niska	1739385	7526510	18.4	VTR042	Hånkanunasvaara	1736940	7525052	9.9
VTR003	Niska	1739386	7526532	10.3	VTR043	Hånkanunasvaara	1737062	7525153	13.3
VTR004	Niska	1739427	7526516	15.7	VTR044	Hånkanunasvaara	1737564	7525466	17.1
VTR011	Airikurkkio	1740444	7526556	18.1	VTR045	Hånkanunasvaara	1737577	7525448	12.1
VTR012	Airikurkkio	1740441	7526568	29.0	VTR046	Hånkanunasvaara	1737645	7525467	17.8
VTR013	Airikurkkio	1740437	7526583	23.7	VTR047	Hånkanunasvaara	1737649	7525466	15.5
VTR014	Airikurkkio	1740439	7526578	38.6	VTR048	Hånkanunasvaara	1737657	7525473	17.8
VTR024	Niska	1738638	7527134	23.7	VTR049	Hosio	1737305	7524547	32.9
VTR025	Niska	1738640	7527133	35.8	VTR050	Hosio	1737148	7524632	32.9
VTR026	Niska	1738643	7527129	19.7	VTR051	Hosio	1737036	7524720	36.0
VTR027	Hånkanunasvaara	1737821	7525618	31.3	VTR052	Hosio	1737037	7524717	34.3
VTR028	Hånkanunasvaara	1737817	7525628	37.3	VTR053	Hosio	1736881	7524579	23.1
VTR029	Hånkanunasvaara	1737827	7525623	34.7	VTR054	Hosio	1736888	7524578	29.9
VTR030	Hånkanunasvaara	1737302	7525449	16.1	VTR055	Hosio	1736882	7524576	28.4
VTR031	Hånkanunasvaara	1737022	7525180	32.0	VTR056	Ylisuannonmaa	1740136	7521523	12.0
VTR032	Hånkanunasvaara	1737029	7525174	33.4	VTR057	Ylisuannonmaa	1740478	7521941	29.9
VTR033	Hånkanunasvaara	1736910	7525092	21.5	VTR058	Ylisuannonmaa	1740479	7521941	33.4
VTR034	Hånkanunasvaara	1736862	7524965	19.5	VTR059	Ylisuannonmaa	1740467	7521931	31.4
VTR035	Hånkanunasvaara	1736867	7524958	6.2	VTR060	Ylisuannonmaa	1740468	7521931	20.6
VTR036	Hånkanunasvaara	1736869	7524967	18.7	VTR061	Ylisuannonmaa	1740478	7521910	41.0
VTR037	Hånkanunasvaara	1736763	7524872	40.2	VTR062	Ylisuannonmaa	1740480	7521911	32.4
VTR038	Hånkanunasvaara	1736841	7524998	46.7	VTR063	Ylisuannonmaa	1740482	7521913	35.6
VTR039	Hånkanunasvaara	1736837	7525008	30.4	VTR064	Ylisuannonmaa	1740492	7521822	31.2
VTR040	Hånkanunasvaara	1736834	7525003	32.3					

Note. Samples consisting of approximately 3kg rock grab samples were prepared by ALS-Chemex Sweden and analysed by ALS-Chemex Ireland with graphitic carbon and multi-elements measured using the LECO and ICP techniques respectively.

Fig 2. Location map of Talga's graphite projects and established transport infrastructure in northern Sweden.



Fig 3. Location map of Talga's Jalkunen graphite project with prospect exploration targets.



ABOUT TALGA RESOURCES

Talga Resources (**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 and 2012, 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.

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 targets¹ associated with the Jalkunen project.

IRON

Talga wholly owns 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.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Mr Darren Griggs and Mr Mark Thompson, who are members of the Australian Institute of Geoscientists. Mr Griggs and Mr Thompson are employees of the Company and have sufficient experience which is relevant to the activity to which is being undertaken 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 Griggs and Mr Thompson 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 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.