



TALGA SPP EXTENSION AND SHAREHOLDER UPDATE

Talga Resources Ltd

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Corporate Information

ASX Code **TLG**

Shares on issue **54.40m**

Options (unlisted) **3.75m**

Company Directors

Sean Neary

Non-Executive Chairman

Mark Thompson

Managing Director

Piers Lewis

Non-Executive Director

 **ASX Code: TLG**

Talga Resources Limited (ASX: TLG) ("Talga" or "the Company") wishes to advise of the extension to the Company's Share Purchase Plan ("SPP") closing date.

The Board of Talga has decided to extend the closing date for SPP applications until Wednesday 15th May 2013. Shareholders are encouraged to complete their application forms as soon as possible.

The Share Purchase Plan provides eligible shareholders on the share register as at 5.00 pm (WST) on Wednesday 10 April 2013 with the opportunity to subscribe for between \$3,000 to \$15,000 worth of shares at a subscription price of \$0.19 per share.

The revised indicative timetable for the SPP is as follows:

Event	Date
Record Date (5:00pm AWST)	10 April 2013
Revised Closing Date for acceptances (5:00pm AWST)	15 May 2013
Issue of shares under the SPP (on or about)	21 May 2013
Revised date of expected commencement of quotation of new shares on ASX	22 May 2013
Revised date of dispatch of shareholder statements	22 May 2013

Please also find attached a corporate information sheet sent to shareholders today.

For further information, please contact:

Talga Resources Ltd.

Mark Thompson

Managing Director

Tel: +61 (08) 9481 6667

Email: admin@talgaresources.com

DEAR SHAREHOLDERS,

Nearly three weeks has passed since Talga's share purchase plan ("SPP") opened and I am pleased to remind you about the fund raising initiative and to confirm that the Company has decided to extend the SPP closing date until 15 May 2013. Given the recent volatility in capital markets and Talga's breadth of news-flow, the Board has decided to allow shareholders more time to digest the Company's latest results and consider the SPP opportunity.

As outlined in the SPP documents sent to you on 15 April, the SPP provides an opportunity for all eligible shareholders to purchase up to \$15,000 worth of Talga shares at \$0.19 cents per share, free of brokerage and commission. This price was set near the maximum 20% discount available under listing rules, as the average price of Talga shares during the 5 trading days prior to the SPP announcement date was \$0.233.

The Company has achieved much to date on a small budget, having actively explored its projects and provided opportunities for shareholder value, yet raising dilutionary equity capital only once in the last 22 months. In that same time Talga has moved from zero to three JORC resources, including the highest grade resource of graphite in the world, and we are particularly excited about Talga's prospects during the 12 months ahead. We take this opportunity to thank you for your support to date during what are now challenging times, and to remind you of the key reasons why Talga is well placed to succeed and grow.



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GRADE

Highest grade graphite resource in the world - Nunasvaara global JORC resource 7.6Mt @ 24.4% Cg (JORC Indicated 5.6Mt @ 24.6% Cg and JORC Inferred 2.0Mt @ 24.0% Cg). Exceptional grade provides the opportunity for low cost production and high margins.

LOCATION

Operating in a top mining jurisdiction with producing infrastructure on the doorstep of major graphite consumers. Extremely low cost power and taxes (corporate tax rate 22% and mineral production tax 0.2%).

PRODUCT SUITE

Multiple deposits cater for demand from ultrafine flake to coarse and jumbo flake end users.

MARKET

Strong commodity price outlook, expanding applications and significant Europe demand (importing 180,000 tonnes per year).

SCALE

Large land position with current Nunasvaara resource expected to exceed 20 year open-cut mine life alone. Multiple deposit inventory; focus on grade/profitability in growth profile.

SIMPLE PATH TO PRODUCTION

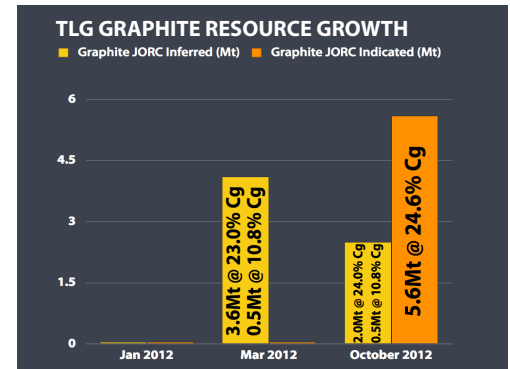
At advanced stage with resources in place, metallurgy and offtake/marketing studies underway towards near term development. Port export agreement in place.

VALUE

Relative to peers Talga appears undervalued particularly given the estimated capex on the graphite, low costs of production, 100% ownership, jurisdiction and proximity to markets.

NEWSFLOW

Ongoing newsflow anticipated including drilling results and resource upgrade at Raitajärvi, resource upgrade at Masugnsbyn and scoping study on Nunasvaara to underpin economic valuation in Q2.



SHARE PURCHASE PLAN (SPP) DETAILS

Talga's SPP offers all eligible shareholders holding shares as at 10 April 2013 the opportunity to purchase between \$3,000 and \$15,000 worth of TLG shares at \$0.19 cents per share.

Full details of the SPP including offer and acceptance forms have been sent to all eligible shareholders. If you have misplaced yours and would like a replacement form please call the Share Registry on +61 8 9315 2333.

The offer opened on 15 April 2013 and will close on 15 May 2013. Please return the coloured application form attached as per the instructions in the SPP Offer document.



Competent Person's Statement

The information in this report that relates to Resource Estimation is based on information compiled and reviewed by Mr Simon Coxhell of CocksRocks Pty Ltd. 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 notice of the matters based on this information in the form and context in which it appears.



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