


Talga Resources Ltd
ABN 32 138 405 419

 1st Floor, 2 Richardson St,
West Perth, WA 6005

T: +61 8 9481 6667

F: +61 8 9322 1935

www.talgaresources.com
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**

OUTSTANDING DRILLING RESULTS FROM RAITAJÄRVI FLAKE GRAPHITE PROJECT

HIGHLIGHTS

- **Initial assays from Talga's first drilling program at Raitajärvi reveal encouraging near surface widths and grades of flake graphite. Results of remaining drill holes RAI13015-RAI13028 expected over next four weeks.**
- **Less than 25% of the anomaly strike length tested to date. Deposit remains open at depth and along strike, with parallel zones essentially untested.**
- **Excellent location near roads, rail, and ports in world-competitive jurisdiction near key graphite processors and consumers.**
- **99% C purity achieved in historic concentrate tests to be optimised using new drillcore.**

HEADLINE RESULTS

Talga Resources Limited (ASX: TLG) ("Talga" or "the Company") is pleased to report the results of the first 14 drill holes of the 28 hole program completed on the Company's 100%-owned *Raitajärvi* flake graphite project, located in northern Sweden (see Fig 1).

In this round of results significant graphite mineralisation has been successfully intersected in all but one drill hole. Highlights of the drilling results to date include:

- **98.9m grading 5.5% Cg, including 29.1m grading 11.2% Cg** (Hole RAI13013).
- **62.0m grading 4.8% Cg, including 14.0m grading 10.2 %Cg** (RAI13009).
- **47.5m grading 10.1% Cg, including 6.1m grading 16.8% Cg and 9.6m grading 22.1% Cg** (RAI13008).
- **80.7m grading 4.6% Cg, including 13.0m grading 12.0% Cg** (RAI13007).

Location and sampling data is summarised below in Table 2 and Figure 2.

RAITAJÄRVI DRILL PROGRAM

The Raitajärvi graphite project is advantageously located 2km from the Överkalix - Övertorneå Highway, 25km by road to the nearest railway and 130km by road to the Port of Luleå where Talga has a signed MoU for the export of up to 80,000 tonnes per annum of graphite concentrate or products. The project tenements consist of two exploration permits covering 14km² of folded and sheared gneissic metasediments.

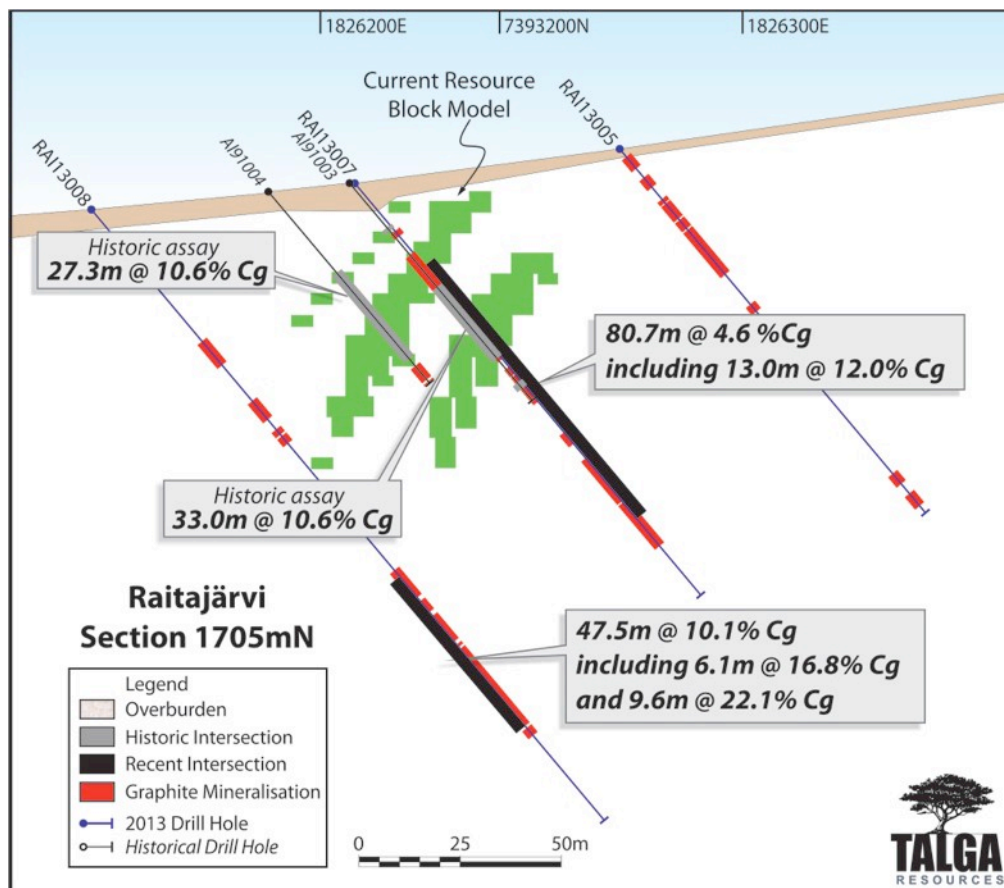
Talga's drilling focussed on the western lobe of a 3,000 metre long EM anomaly where historic drilling by the Swedish Geological Survey ("SGU") had

intercepted coarse flake graphite. The historic SGU drill results supported a JORC Inferred resource of 0.5Mt @ 10.8%C. The distribution of graphite within the deposit is characterised by wide zones of flake graphite around higher grade core zones. Where historic drilling was twinned the width of the graphite mineralised zone often exceeds double the width of the historic intercept, suggesting good potential for a substantially larger resource to be present (See Table 1-2 and Fig 3).

Table 1. Assay results of twinned historical drill holes. See Table 2 for details.

2013 Twin Hole ID	From (m)	To (m)	Interval (m)	Cg (%)	Historical Hole ID	From (m)	To (m)	Interval (m)	Cg (%)
RAI13007	26.2	106.9	80.7	4.6	AI91003	22.9	55.8	32.9	10.6
RAI13009	13.0	75.0	62.0	4.8	AI92001	23.0	56.9	33.9	6.7
RAI13011	12.8	88.4	75.6	4.7	AI91009	8.6	47.4	38.8	8.0
RAI13013	5.6	104.5	98.9	5.5	AI92002	6.3	44.7	38.5	10.9

Fig 3. Section showing current and historic drill intercepts, Raitajärvi graphite project.



HIGH PURITY

Historic metallurgical work by the Swedish Geological Survey ("SGU") identified that Raitajärvi flake graphite is primarily coarse flake and can attain purity exceeding 99% carbon ("C"), after a basic (unoptimised) leaching process (See ASX:TLG 4th February 2013). The recent drill core will be subjected to new metallurgical tests aimed at increasing concentrate purity even further. If this small but significant increase in purity can be attained, to 99.9%, such high quality graphite concentrate could potentially reap much higher prices in battery grade graphite markets (Industrial Minerals Magazine, May 2013) or even compete as an alternate carbon precursor in the US\$16B per annum synthetic graphite market (see World Graphite Conference

London December 2012). Talga's Raitajärvi deposit has development advantages in being near surface with minimal overburden, and located close to low cost power supply and major graphite markets (Europe).

Talga expects assay results from the remaining 14 holes to begin arriving from the lab in the next four weeks. Results will be used to conduct a new resource estimate and if warranted, preliminary economic (scoping) studies.

Talga's Managing Director, Mark Thompson said, "We are extremely pleased with the initial assay results from our first drilling program at Raitajärvi which has delivered both high grades over significant thicknesses and broad zones of mineralisation not previously recorded by historic works. Once the balance of drill results are received we expect to be able to upgrade the current mineral resource, both in size and status, before reviewing economics in a scoping study.

For further information, please contact:

Talga Resources Ltd.

Mark Thompson
Managing Director
+61 (08) 9481 6667 admin@talgaresources.com

Media:

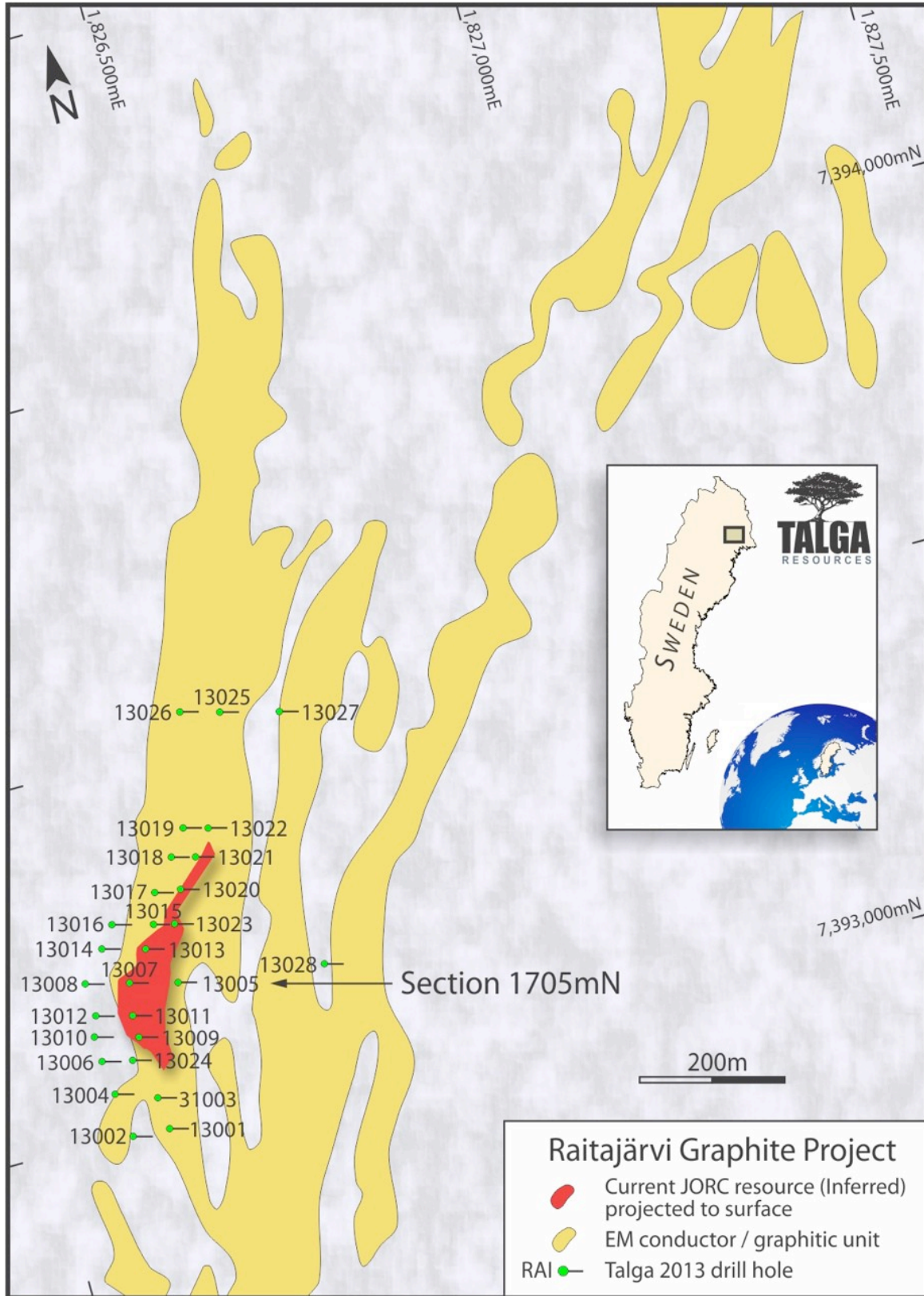
Warrick Hazeldine
Cannings Purple +61 (08) 6314 6300 whazeldine@canningspurple.com.au

Table 2. Diamond drill sampling results at Raitajärvi.

Hole ID	East (RT90 2.5gv)	North (RT90 2.5gv)	Collar RL (m)	Azi	Dip	EOH (m)	From (m)	To (m)	Interval (m)	Cg (%)
RAI13014	1826182	7393263	122.0	105	-45	192.7	103.1	154.5	51.4	5.3
						incl.	112.0	125.1	13.1	9.9
RAI13013	1826240	7393248	126.0	105	-45	121.5	5.6	104.5	98.9	5.5
						incl.	16.4	45.5	29.1	11.2
RAI13012	1826149	7393177	117.0	105	-50	160.6	87.4	144.2	56.8	5.7
						incl.	94.1	102.3	8.2	25.0
RAI13011	1826197	7393165	117.0	105	-50	115.8	12.8	88.4	75.6	4.7
						incl.	25.8	46.0	20.2	8.6
RAI13010	1826139	7393150	115.0	105	-50	157.3	72.7	108.0	35.3	4.1
						incl.	72.7	79.2	6.5	8.6
						incl.	105.6	108.0	2.4	16.5
							122.1	147.0	24.9	4.2
RAI13009	1826198	7393133	115.0	105	-45	122.9	13.0	75.0	62.0	4.8
						incl.	17.0	31.0	14.0	10.2
RAI13008	1826146	7393224	113.0	105	-50	194.7	60.7	65.1	4.4	6.8
							116.8	164.3	47.5	10.1
						incl.	129.1	135.2	6.1	16.8
						incl.	143.3	152.9	9.6	22.1
RAI13007	1826208	7393208	120.0	105	-50	131.2	26.2	106.9	80.7	4.6
						incl.	26.2	39.2	13.0	12.0
RAI13006	1826140	7393114	112.0	105	-50	139.5	77.1	92.9	15.8	5.5
RAI13005	1826271	7393192	128.0	105	-50	115.5				NSR
RAI13004	1826145	7393066	111.0	105	-50	162.8	55.5	68.4	12.9	4.2
							100.5	121.3	20.8	4.1
RAI13003	1826199	7393047	115.0	105	-50	116.3	37.9	42.4	4.5	4.8
							45.8	58.9	13.1	4.0
RAI13002	1826154	7393004	111.0	105	-50	142.3	41.5	49.1	7.6	6.9
							88.5	94.7	6.2	5.2
RAI13001	1826205	7393000	114.0	105	-50	120.8	27.7	35.2	7.5	4.0

Note to accompany table: Graphitic Carbon ("Cg") is determined by digesting sample in 50% HCl to evolve carbonate as CO₂. Residue is filtered, washed, dried and then roasted at 425C. The roasted residue is analysed for carbon by high temperature Leco furnace with infra red detection.

Fig 2. Plan of central part of Talga's Raitajärvi graphite project showing new drill holes locations.



ABOUT TALGA RESOURCES LTD

Talga Resources Limited (Talga) (ASX: "TLG") is a diversified mineral explorer and developer with a portfolio of 100% owned graphite, iron, copper/gold projects in Sweden and gold projects in Western Australia.

Graphite

Talga wholly owns multiple advanced and high grade graphite projects in northern Sweden. The immediate focus is to advance these projects towards development, utilising the advantages of established quality infrastructure including power, road, rail and ports. Initially this will entail economic studies on the Nunasvaara and Raitajärvi graphite deposits.

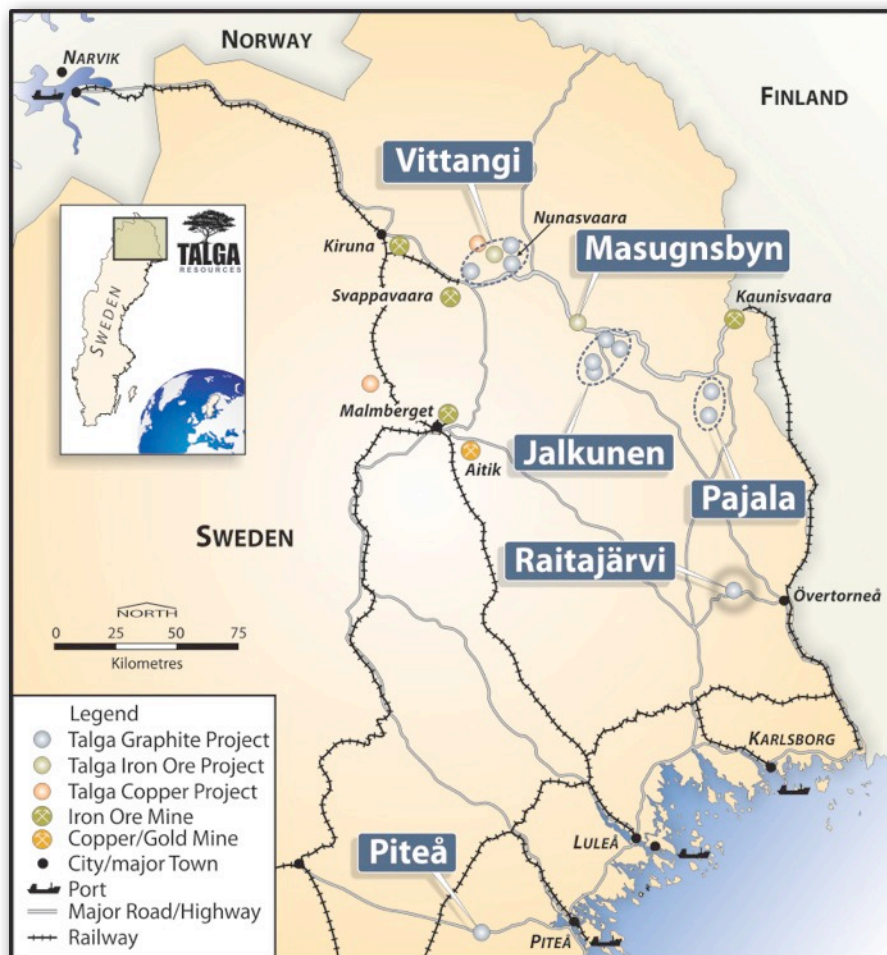
Iron

Talga owns multiple magnetite iron deposits located in the Kiruna mineral district of northern Sweden. The iron deposits are of significant scale and strategic importance, with considerable growth upside based on historic drilling. Talga's strategy is to commercialise these assets to provide funds for the graphite projects.

Gold

Talga owns multiple high grade gold projects located in the Yilgarn and Pilbara regions of Western Australia, which the Company is divesting to focus on the Swedish assets. Additionally the Company owns several copper-gold projects within its Sweden portfolio.

Fig 1. Talga Resources project locations in north Sweden.



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.