



**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](http://www.talgaresources.com)

**Corporate Information**  
 ASX Code **TLG**  
 Shares on issue **55.3m**  
 Options (unlisted) **3.75m**

**Company Directors**  
**Sean Neary**  
 Non-Executive Chairman

**Mark Thompson**  
 Managing Director

**Piers Lewis**  
 Non-Executive Director

 **ASX Code: TLG**

## \$1.47M CAPITAL RAISING TO ADVANCE HIGH GRADE SWEDISH GRAPHITE PROJECTS

### HIGHLIGHTS

- Two part capital raising will raise up to \$1.47m to fund Talga through completion of scoping studies on the Company's advanced, high grade graphite projects in Sweden.
- Funding initiative comprises A\$415,000 placement to sophisticated investors and 1:3 non renounceable rights issue to be fully underwritten to raise an additional \$1.06 million.
- Placement and rights issue to be undertaken at 5¢ per share.

Talga Resources Limited (ASX:TLG) ("Talga" or "the Company") is pleased to announce that it has finalised arrangements to raise up to \$1.47 million to fund completion of scoping studies on its advanced, high grade graphite projects in Sweden (Fig 1).

The funds will be raised by a combination of a single tranche placement (without the need for shareholder approval), pursuant to Listing Rule 7.1 ("Placement"), and a non renounceable rights issue (on a 1:3 basis) to existing shareholders ("Rights Issue")(together the "Offers").

The Offers are both priced at 5 cents per share, offering new and existing investors the opportunity to subscribe for shares on the same terms. Firm commitments for the Placement have been received and the Lead Manager, Patersons Securities Limited, intends to act as underwriter to 100% of the Rights Issue.

The capital raising has attracted new shareholders including Europe-based funds and Yandal Investments Pty Ltd, a company controlled by prominent prospector Mark Creasy.

Placement shares will be eligible to participate in the Rights Issue and settlement of the Placement is due Wednesday, 11th September.

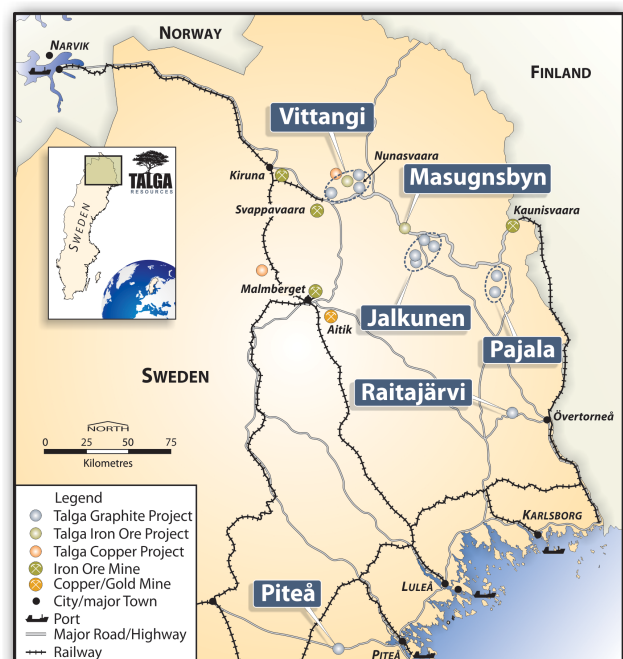


Fig 1. Talga Resources project locations in north Sweden.

## Use of Funds

The proceeds from the Offers are specifically intended to be applied as follows:

- To complete preliminary economic assessments (scoping studies) and advance the Company's Nunasvaara and Raitajärvi graphite projects in Sweden;
- To advance Talga's iron ore projects in Sweden for potential divestment by completing Davis Tube Recovery tests towards a final concentrate specification; and
- For general working capital.

Full details of the terms and conditions of the proposed Rights Issue will be contained in the Prospectus to be lodged with ASX and despatched to shareholders in due course.

## Pro-Forma Structure

The indicative capital structure of the Company post the successful completion of the Offers (and assuming the maximum number of Placement and Rights Issue shares to be issued) would be as follows:

	Shares	Unlisted Options	Amount Raised (\$AUD)
Current securities on issue	55,304,406	3,750,000*	
Placement shares	8,295,661		\$414,783
Rights Issue shares	21,200,022		\$1,060,001
<b>Total securities post the Offers</b>	<b>84,800,089</b>	<b>3,750,000</b>	<b>\$1,474,784</b>

\*unlisted options are held by Talga Directors and employees and have various exercise prices and expiry dates.

## Managing Director's Comment

*"We are pleased to secure funds and new shareholders using a robust capital raising structure in what is a particularly challenging equity market environment. After intense efforts by Talga in recent times to minimise costs and spending, the proceeds will allow Talga to immediately recommence its efforts to complete the graphite project economic studies. In the first instance, the main focus will be metallurgical work at the Nunasvaara and Raitajärvi graphite projects, leading to 'production-representative' samples being ready for distribution and market testing. Ultimately the Company will be funded through to a position where it will have the project financial and product information necessary to enter into advanced agreements with end users."*

The Company is not aware of any reason why the ASX would not allow the suspension in trading of its securities to be lifted immediately.

For further information, please contact:

Mark Thompson

Managing Director

+61 (08) 9481 6667 admin@talgaresources.com