



 **ASX Code: TLG**

Talga Resources Ltd

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Corporate Information

ASX Code **TLG**

Shares on issue **54.40m**

Options (unlisted) **3.75m**

52 week high **A\$0.77**

52 week low **A\$0.12**

Company Directors

Sean Neary

Non-Executive Director &
Chairman

Mark Thompson

Managing Director

Piers Lewis

Non-Executive Director



UPDATED TALGA RESOURCES GRAPHITE PROJECTS PRESENTATION.

Talga Resources Limited (ASX: TLG) ("Talga" or "the Company") is pleased to provide an updated company presentation on its 100% owned graphite projects in Sweden.

The Company advises that it will be using this presentation at the upcoming Mines and Money Hong Kong Conference ("the Conference") to be held 18-22 March 2013, where Talga's Managing Director Mark Thompson will provide an update on the Company's operations and development progress.

Prior to the Conference, Talga will be undertaking a weeklong investor awareness roadshow through London with Wimmer Financial LLP, using the same presentation.

The Conference presentation schedule is as follows:

Date: **Monday, 18th March 2013**

Time: **9.40am**

Venue: **1 Expo Drive, Wanchai, Hong Kong, China**

Talga Resources will be located at booth number **F10** where Mr Thompson and other key members of the management team look forward to meeting shareholders, delegates and potential investors at the Conference.

For further information contact:

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Managing Director

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TALGA RESOURCES LTD

GRAPHITE PROJECTS PRESENTATION

MARCH 2013

DEVELOPING THE WORLD'S HIGHEST GRADE RESOURCE OF GRAPHITE

100% OWNED HIGH-QUALITY GRAPHITE ASSETS IN A
WORLD CLASS MINING PROVINCE **SWEDEN**

24.4% C_g

Highest resource grade in the world

7.6^{Mt}

JORC Indicated and Inferred

0-165^m

Open cut mineralisation from surface

15^{km}

Mapped mineralisation

22%

Corporate Tax rate

0.2%

Minerals tax rate

NUNASVAARA | SWEDEN

 **ASX:TLG**

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Executive Summary

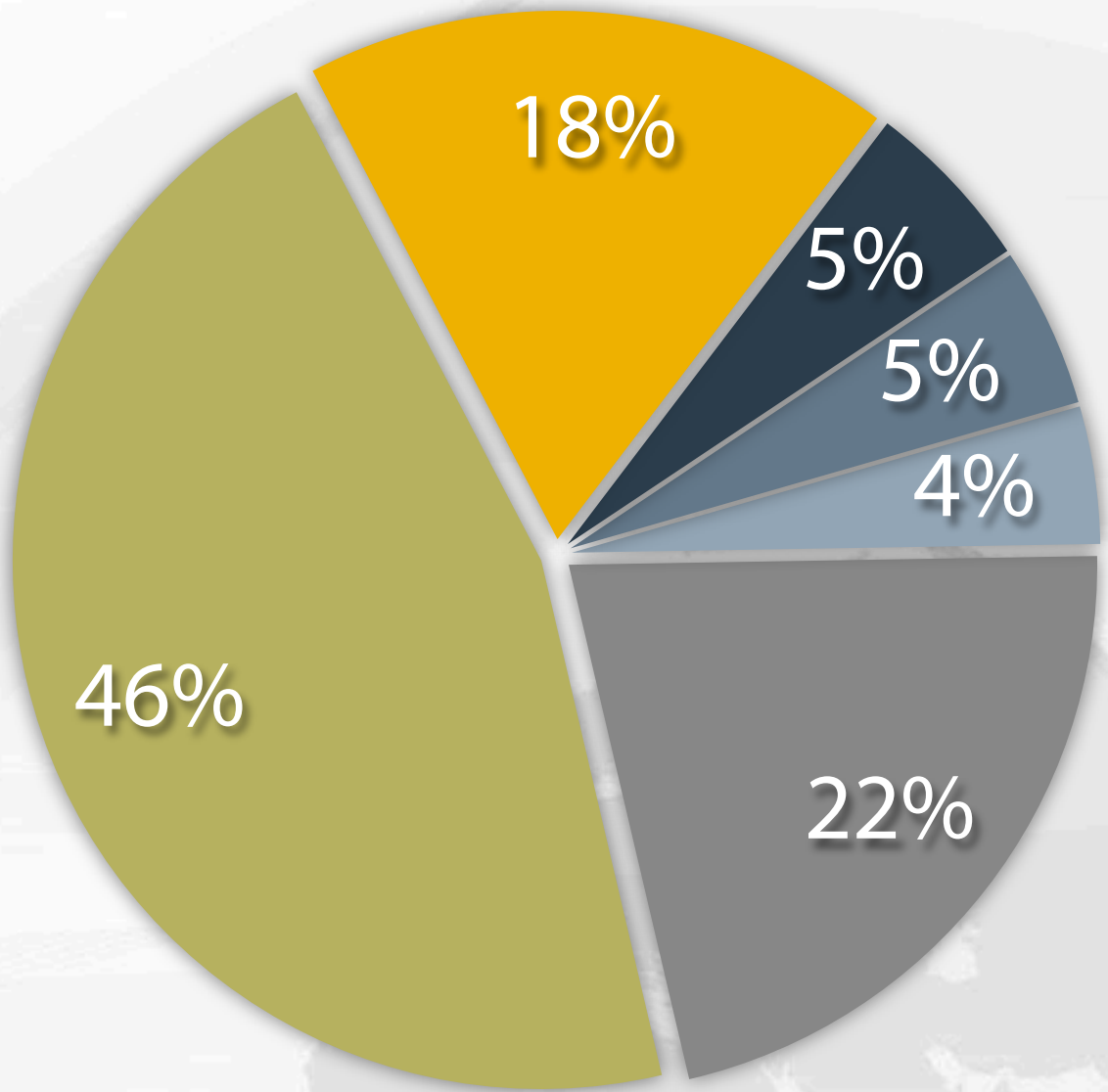
- ▶ Talga Resources Ltd (“Talga”) is a mineral explorer & developer that listed on the Australian Stock Exchange (ASX:TLG) in July 2010 .
- ▶ The company wholly owns multiple graphite, iron ore and copper/gold projects in Sweden and gold projects in Australia.
- ▶ Work since acquiring the Swedish assets in early 2012 includes several diamond drilling programs, ground geophysics, geochemical and environmental surveys.
- ▶ These programs have defined several JORC mineral resources in graphite and iron ore, including the world’s highest grade graphite resource at Nunasvaara (total resource 7.6Mt @ 24.4% Cg, for details see appendix 5).
- ▶ Upcoming catalysts include drilling of a coarse flake graphite deposit with historic-based resource (Q1), drill results (Q2), potential major resource upgrade (Q2) and the delivery of preliminary economic studies (Q2-3).



Corporate Overview



ASX Ticker/Code	TLG
Shares	54.4 M
Options (unlisted/employee) 2.75m @ 40c director exp 30.11.2014 0.5m @ 35c employee exp 21.7.2015 0.5m @ 45c employee exp 3.10.2016	3.75 M
Market Capitalisation (fully diluted/\$0.20)	\$12 M
Cash (At Dec 31,2012. \$=AUD)	\$1.7 M
12 Month low/high	\$0.15/0.77



Top 20 own 54%

- Board & Management
- United Overseas Service Ltd
- Kin Chun Wong
- JP Morgan Nominees
- Balance of Top 20
- Retail & Others

Board & Management



Sean Neary

B.Ec, M.Law (Tax), CPA
*Chairman &
Non-Executive Director*



Mr Neary is a Certified Practicing Accountant with more than 25 years experience in finance and commercial advisory roles. His experience includes more than ten years in audit and tax consulting with 'Big Four' and second tier accounting practices in Australia, and commercial experience including six years in a finance role with US based chemical giant, Dow Corning. In addition to his leadership qualities, Mr Neary brings to the Talga board a wealth of financial industry and corporate strategy experience .

Mark Thompson

MAIG, MSEG
*Founder &
Managing Director*



Mr Thompson has more than 20 years industry experience in mineral exploration and mining management. Since starting his career with production experience in both underground (Kambalda) and open-pit (Sons of Gwalia) mines he has worked throughout Australia, Africa and South America. He is a member of the Australian Institute of Geoscientists and the Society of Economic Geologists, and holds the position of Guest Professor in Mineral Exploration Technology at both the Chengdu University of Technology and the Southwest University of Science and Technology in China. In addition to his role with Talga Resources Ltd, Mr Thompson is a Non-Executive Director of ASX listed Phosphate Australia Ltd.

Piers Lewis

B.Comm, CA
Non-Executive Director

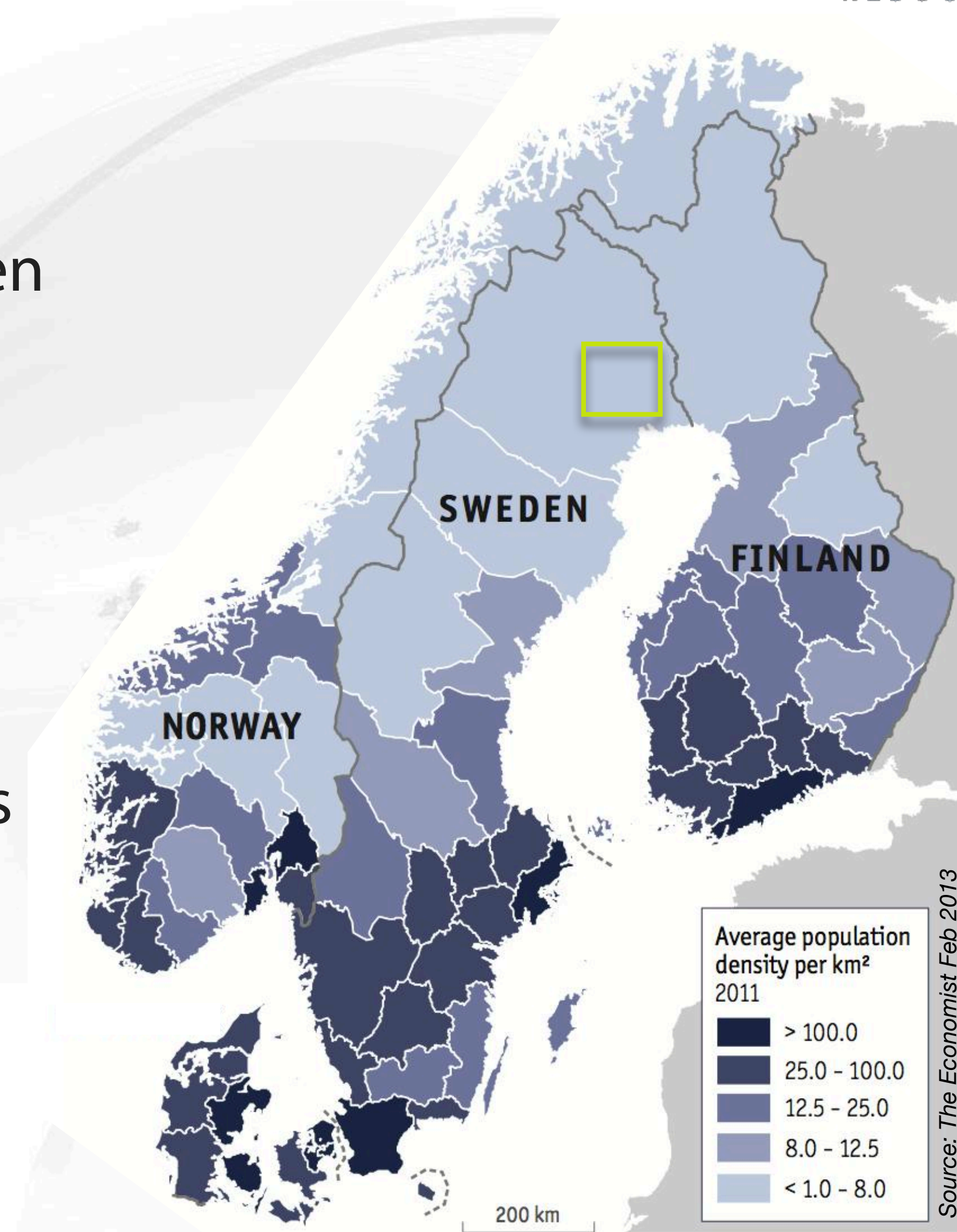


Mr Lewis has more than 15 years global corporate experience and is currently Company Secretary for several ASX listed companies. In 2001 Mr Lewis qualified as a Chartered Accountant with Deloitte (Perth), and brings to the Talga board extensive and diverse financial and corporate experience from previous senior management roles with Credit Suisse (London), Mizuho International and NAB Capital.

In addition to his role with Talga Resources Ltd, Mr Lewis is a Non-Executive Director of ASX listed Stratos Resources Ltd and Zeta Petroleum PLC.

Advantages of Northern Sweden for Mining Projects

- ▶ Corporate tax rate **22%**, Mineral Production tax **0.2%**.
- ▶ **Existing** heavy-duty mineral production infrastructure with open access rail, road and ports and government support.
- ▶ Low cost **power** from hydroelectricity and nuclear grid.
- ▶ Well established **quality mining province** with highly skilled workforce and support industries.
- ▶ Fennoscandian shield hosts **large mineral deposits** but remains under-explored relative to peers.
- ▶ Quality **jurisdiction**; Sweden ranked No.2 of 96 mining jurisdictions in the world (Fraser Institute 2012/13).



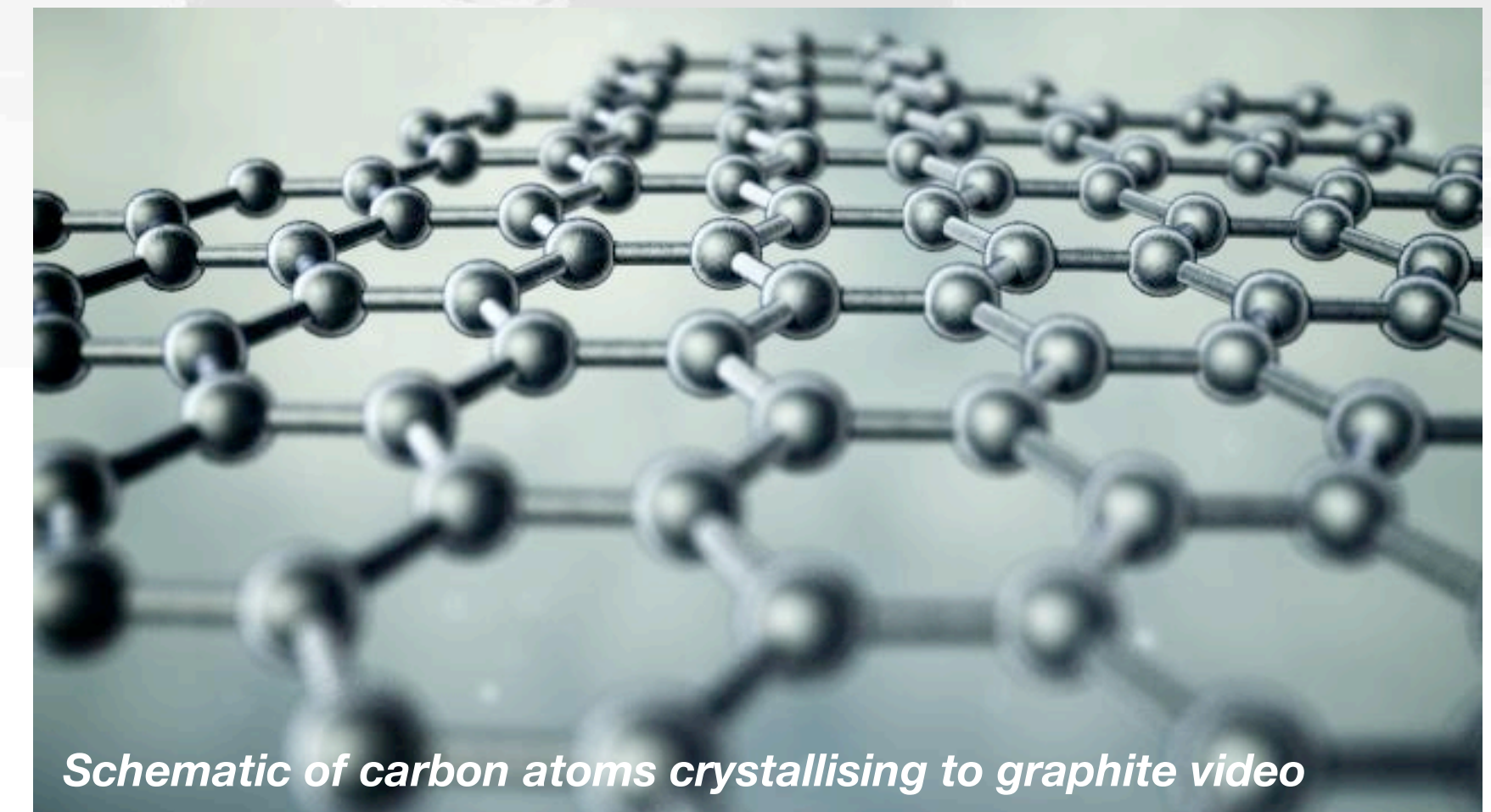
Population Density - Nordic Countries

Quality bulk-mineral production infrastructure in place



What is Graphite?

- ▶ Graphite is an industrial mineral; one of three readily occurring solid forms of carbon (the others being coal and diamond) that in natural form is mined in various countries, predominantly China.
- ▶ Graphite has unique properties including very high thermal conductivity, high electrical conductivity (with low expansion rate) and good compressive and flexural strength. It is used in thousands of every day applications and products.
- ▶ Crystalline graphite consists of parallel sheets of carbon atoms, each sheet containing hexagonal arrays of carbon atoms. A single-atom thick layer is called graphene; a recently isolated material that beats steel for strength and copper silicone for conductivity, while being flexible and completely transparent.
- ▶ Graphite is finding increased use in battery technologies, and graphene is receiving a massive influx of research funds ie. US\$1.35 billion grant in 2013 from the European Union for graphene research is being based in Sweden.

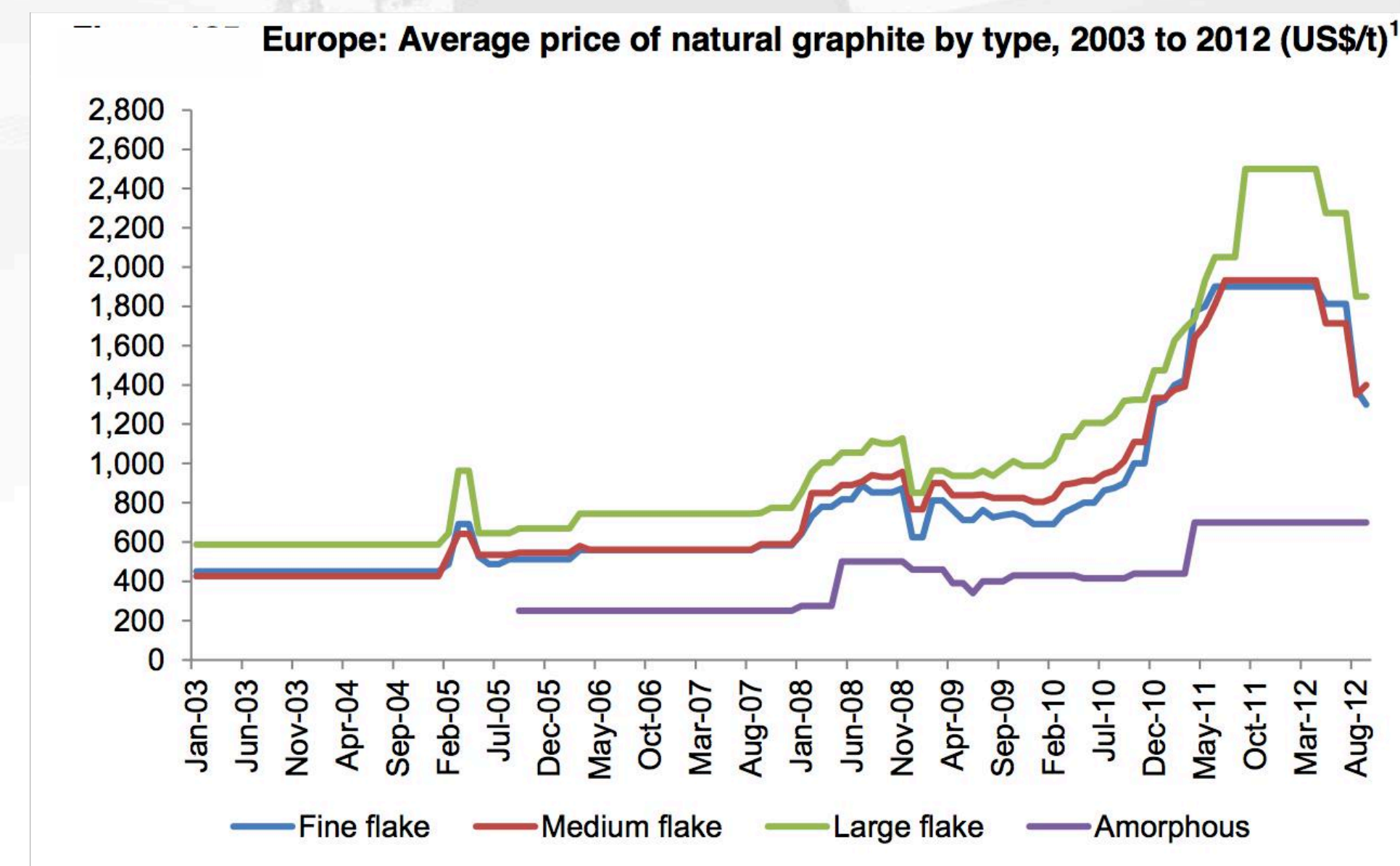
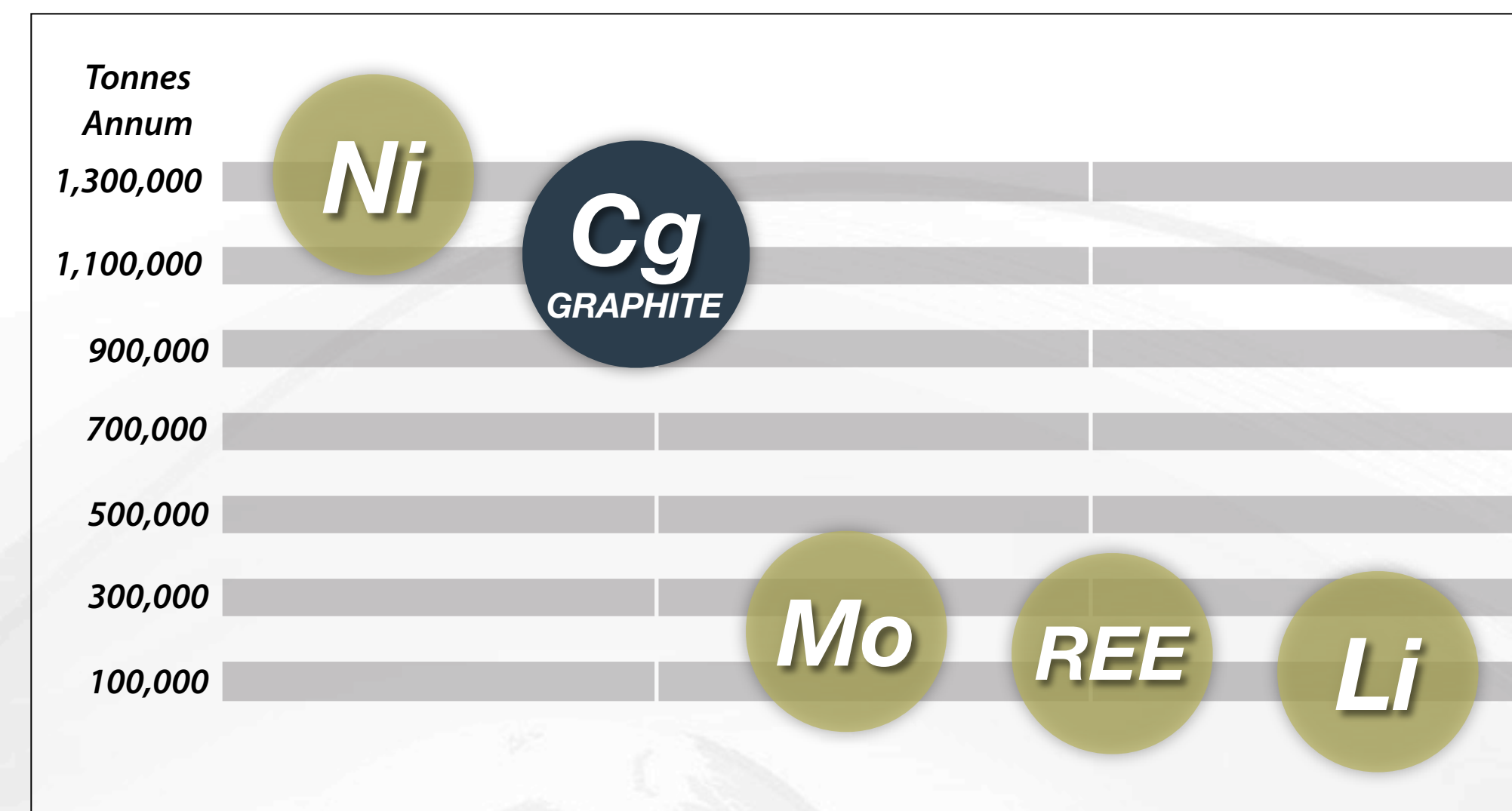


Natural graphite market

- ▶ Natural graphite market (1.1Mt C) is similar volume to Nickel market (1.3Mt Ni) and much bigger than Lithium and Rare Earths.
- ▶ World market worth US\$1B/yr* with main consumption in Steel & Refractories (41%), Carbon Fibres-Brushes-Batteries (21%), Automotive Parts (14%), Lubricants (14%), Other Products (10%).
- ▶ Natural graphite is commercially grouped on particle size:
 - < 75 micron (ultrafine flake - also known as *amorphous*)
 - > 75 micron (fine flake and larger - known generally as *flake*)
 - Vein (massive - known as *lump*)
- ▶ On long term average 60% of annual consumption is for ultrafine graphite and 40% is flake with lump being less than 1%.
- ▶ Historical graphite market growth related to diverse industrial demand 3-5% annum; New markets growing 7-10% annum.
- ▶ Many hundreds of graphite specifications products in market, with generally higher prices related to higher carbon content.
- ▶ Graphite is commonly sold by private contract. Industry prices surveyed and published by Industrial Minerals magazine.

*Source: "The World Wide Amorphous Graphite Market" Asbury Carbons, World Graphite Conference Dec 6-7 2011

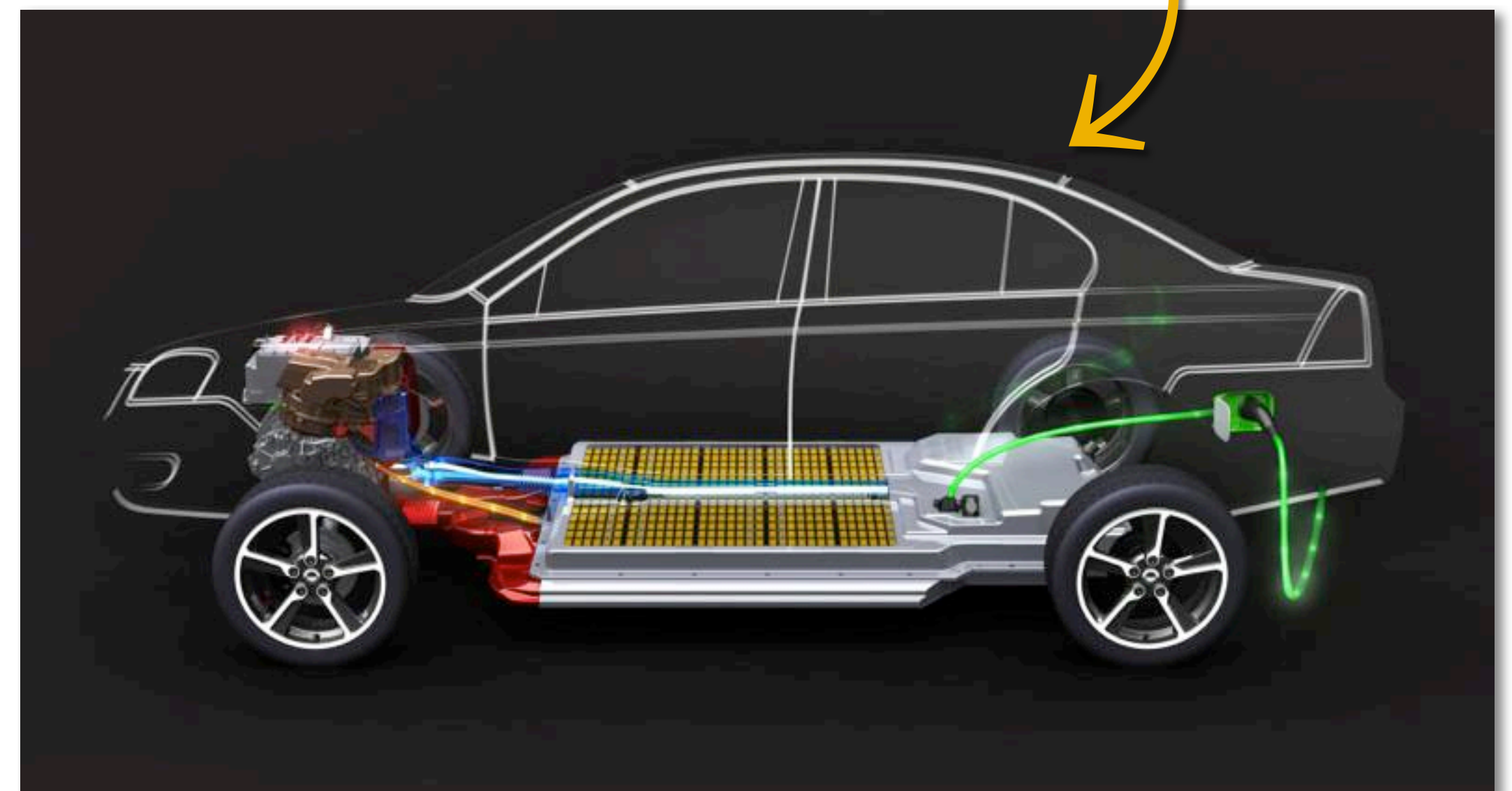
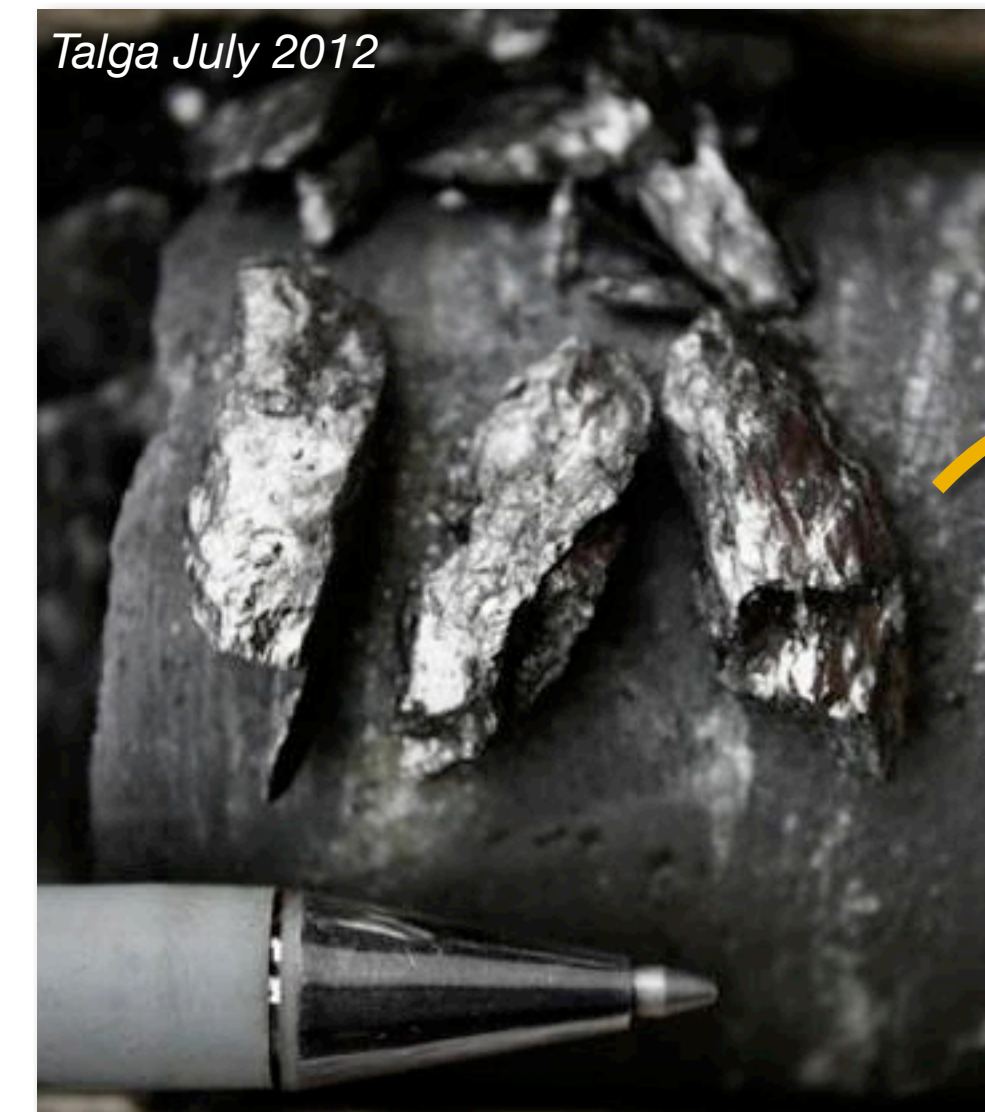
Volume Comparison of Natural Graphite Market in 2011



Source: Industrial Minerals
Notes: 1-CIF European port FCL

New Demand Driver

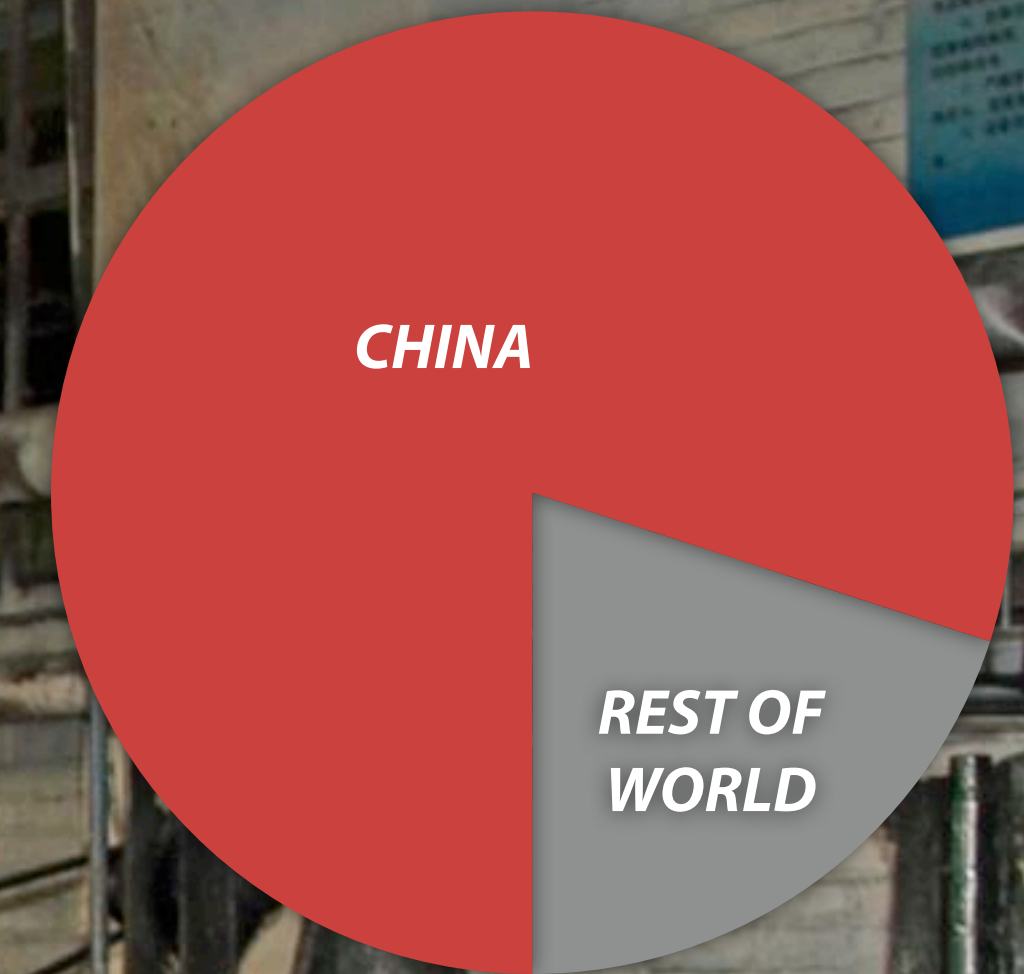
- ▶ Graphite is a significant component of many types of battery, including Li-ion where commonly there is 10x more graphite than lithium.
- ▶ Li-ion battery technology is becoming industry standard in mobile technology devices, energy storage and transport units. Global Li-ion demand forecast to grow 447% to 2015*.
- ▶ World Li-ion battery anode materials market was worth approximately US\$375M in 2011. Around 95% of production is for typical consumer product batteries, while 5% is for electric vehicle batteries.
- ▶ Increased mobility of energy has profound future demands for graphite. Electric vehicles can use from 10kg (hybrid) to 90kg+ (full electric) graphite per battery unit. Electrified motorbikes, storage devices and many other consumable and infrastructure requirements show growing demand for graphite.



Why Graphite is News?

- ▶ Graphite prices have been rising since 2005.
- ▶ 80% of all natural graphite supply (and 90% of world ultrafine graphite supply) is from China.
- ▶ Increasing state control/mine consolidation and higher domestic consumption have resulted in lower exports from China.
- ▶ Costs increasing in China under higher export tariffs, taxes and labour costs.
- ▶ Consumers wanting more reliable, timely and high quality supply with less risk.

World Natural Graphite Production



Graphite becoming strategic

- ▶ Depending on one country is a supply risk now being addressed. Graphite is declared a “Strategic Mineral” by USA and EEC.

British Geological Survey

Risk list 2012 — Current supply risk index for chemical elements or element groups which are of economic value

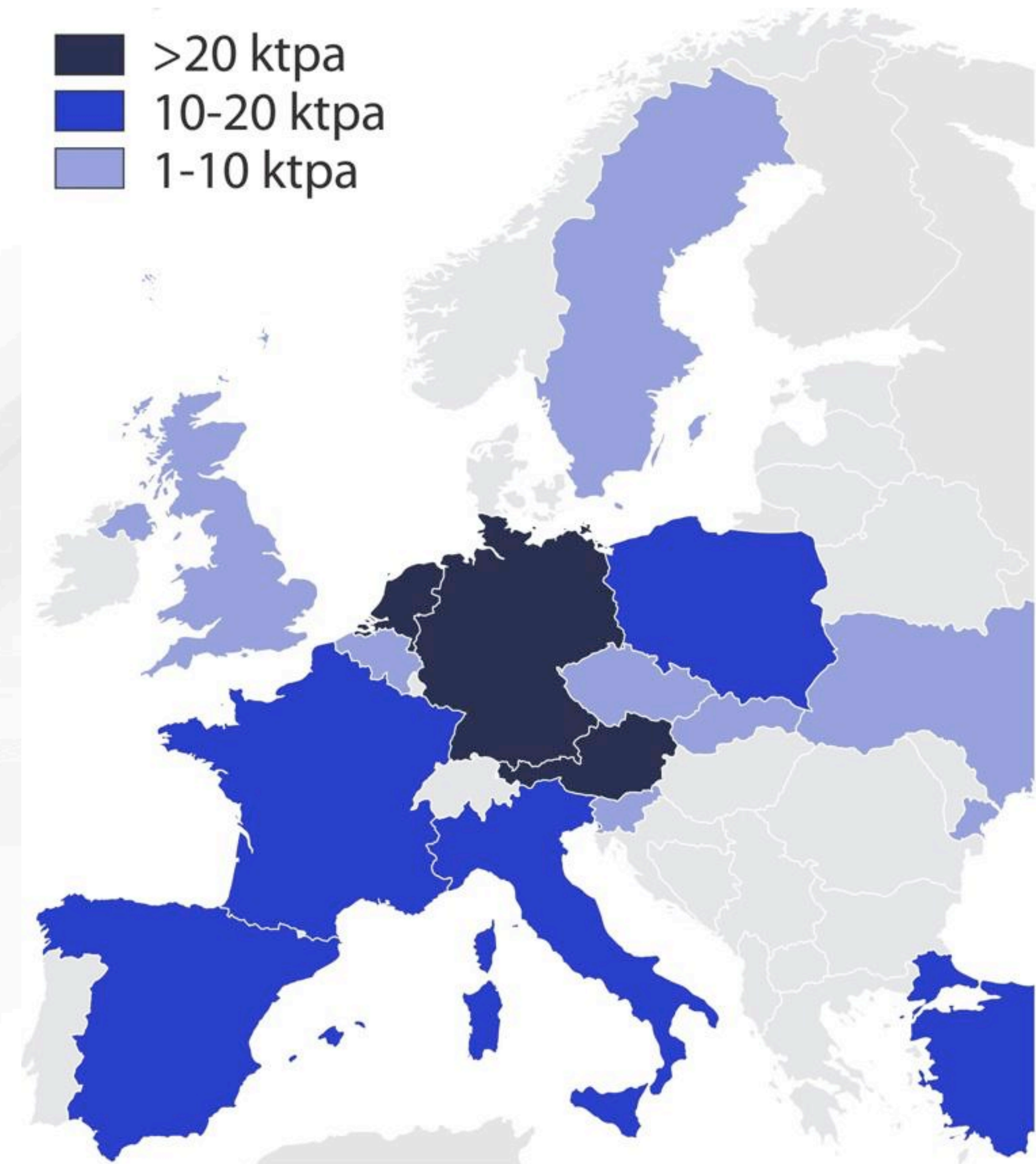
Element or element group	Symbol	Relative supply risk index	Leading producer	Top reserve holder
rare earth elements	REE	9.5	China	China
tungsten	W	9.5	China	China
antimony	Sb	9.0	China	China
bismuth	Bi	9.0	China	China
molybdenum	Mo	8.6	China	China
strontium	Sr	8.6	China	China
mercury	Hg	8.6	China	Mexico
barium	Ba	8.1	China	China
carbon (graphite)	C	8.1	China	China
beryllium	Be	8.1	USA	Unknown
germanium	Ge	8.1	China	Unknown
niobium	Nb	7.6	Brazil	Brazil
platinum group elements	PGE	7.6	South Africa	South Africa
cobalt	Co	7.6	DRC	DRC
thorium	Th	7.6	India	USA
indium	In	7.6	China	Unknown
gallium	Ga	7.6	China	Unknown
arsenic	As	7.6	China	Unknown
magnesium	Mg	7.1	China	Russia
tantalum	Ta	7.1	Brazil	Brazil
selenium	Se	7.1	Japan	Russia
cadmium	Cd	6.7	China	India
lithium	Li	6.7	Australia	Chile
vanadium	V	6.7	South Africa	China
tin	Sn	6.7	China	China
fluorine	F	6.7	China	South Africa
silver	Ag	6.2	Mexico	Peru
chromium	Cr	6.2	South Africa	Kazakhstan
nickel	Ni	6.2	Russia	Australia
rhenium	Re	6.2	Chile	Chile
lead	Pb	6.2	China	Australia
carbon (diamond)	C	6.2	Russia	DRC
manganese	Mn	5.7	China	South Africa
gold	Au	5.7	China	Australia
uranium	U	5.7	Kazakhstan	Australia
zirconium	Zr	5.7	Australia	Australia
iron	Fe	5.2	China	Australia
titanium	Ti	4.8	Canada	China
aluminium	Al	4.8	Australia	Guinea
zinc	Zn	4.8	China	Australia
copper	Cu	4.3	Chile	Chile

Supply risk index runs from 1 (blue—very low risk) to 10 (red—very high risk)
Copyright NERC 2012



Why graphite is the focus for Talga

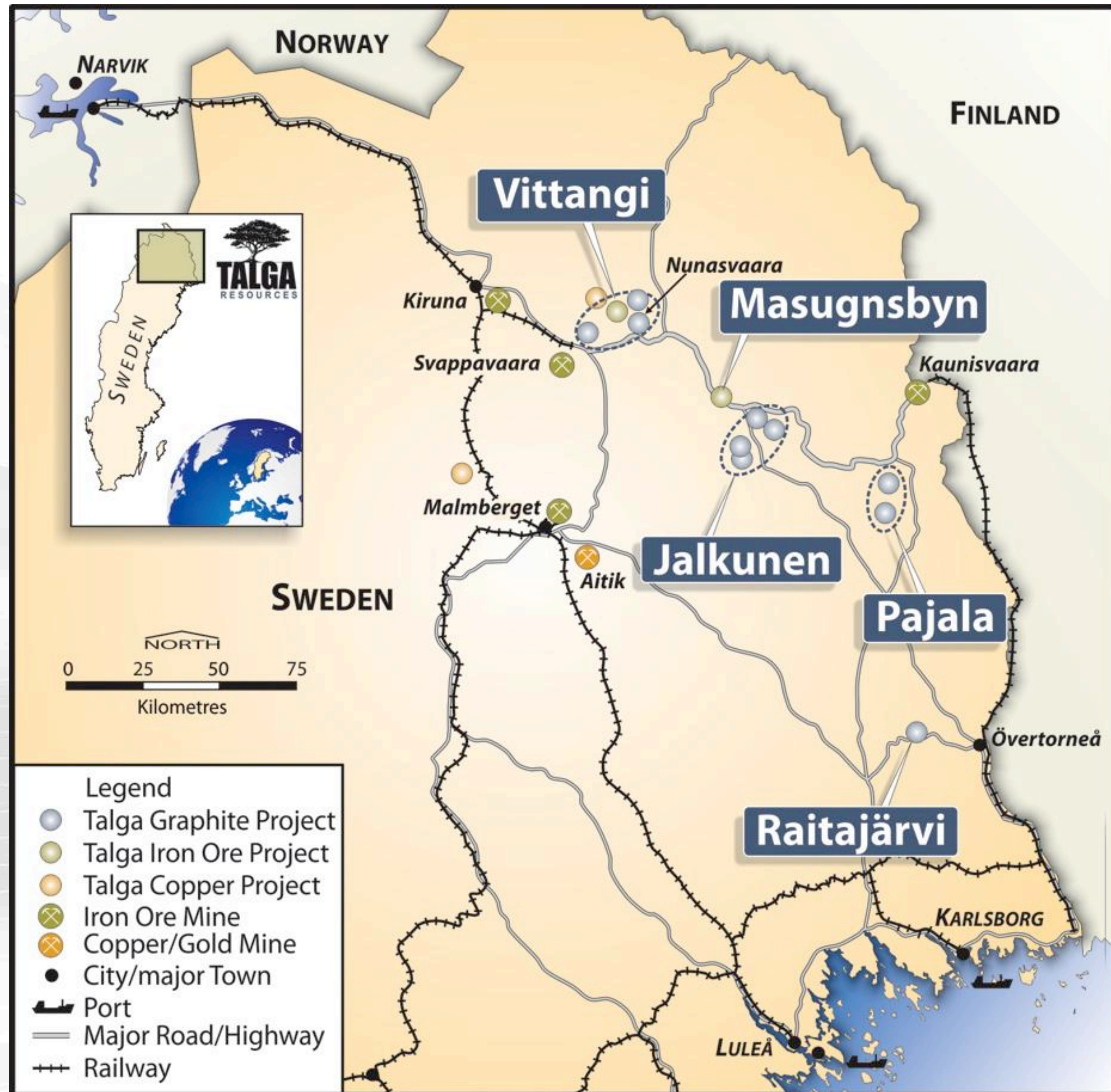
- ▶ **Grade is King** - highest grade JORC/NI 43-101 graphite resource in world (n=18).
- ▶ **Low capex** development compared to many other minerals, providing low cost and short term path to mining/cashflow.
- ▶ Located within several shipping days of large market (Europe **imports** approximately 200,000 tonnes per year of natural graphite flake/powder). Good access to USA and Asia if required.
- ▶ **Growing market** and applications for the commodity.
- ▶ **100% ownership** of suite of crystalline graphite projects spanning full range of market size specifications from small to large.
- ▶ **Advanced** stage with two deposits defined to JORC standard and economic studies (scoping to PFS) commencing. Desktop studies indicate high returns on conservative metrics.



Europe Natural Graphite Imports

(,000t/annum) Industrial Minerals 2012 Report Data Subset 1+2

Talga's Sweden Projects



- ▶ Talga moved into Graphite in early 2011.
- ▶ After world search found excellent graphite deposits in Sweden, but highest grade deposit occurred in Teck Resources IOCG portfolio.
- ▶ Approached Teck and acquired option to buy company owning their Swedish assets in Feb 2012.
- ▶ Fieldwork and diligence over northern winter found the graphite properties were world-class, and the iron and copper projects were a bonus.
- ▶ Acquired Teck's Canadian subsidiary owning 100% of the Swedish assets (TCL Sweden Ltd) in June 2012.
- ▶ No vendor clawbacks. 3% NSR due on production at Nunasvaara only, all other projects free of NSR.

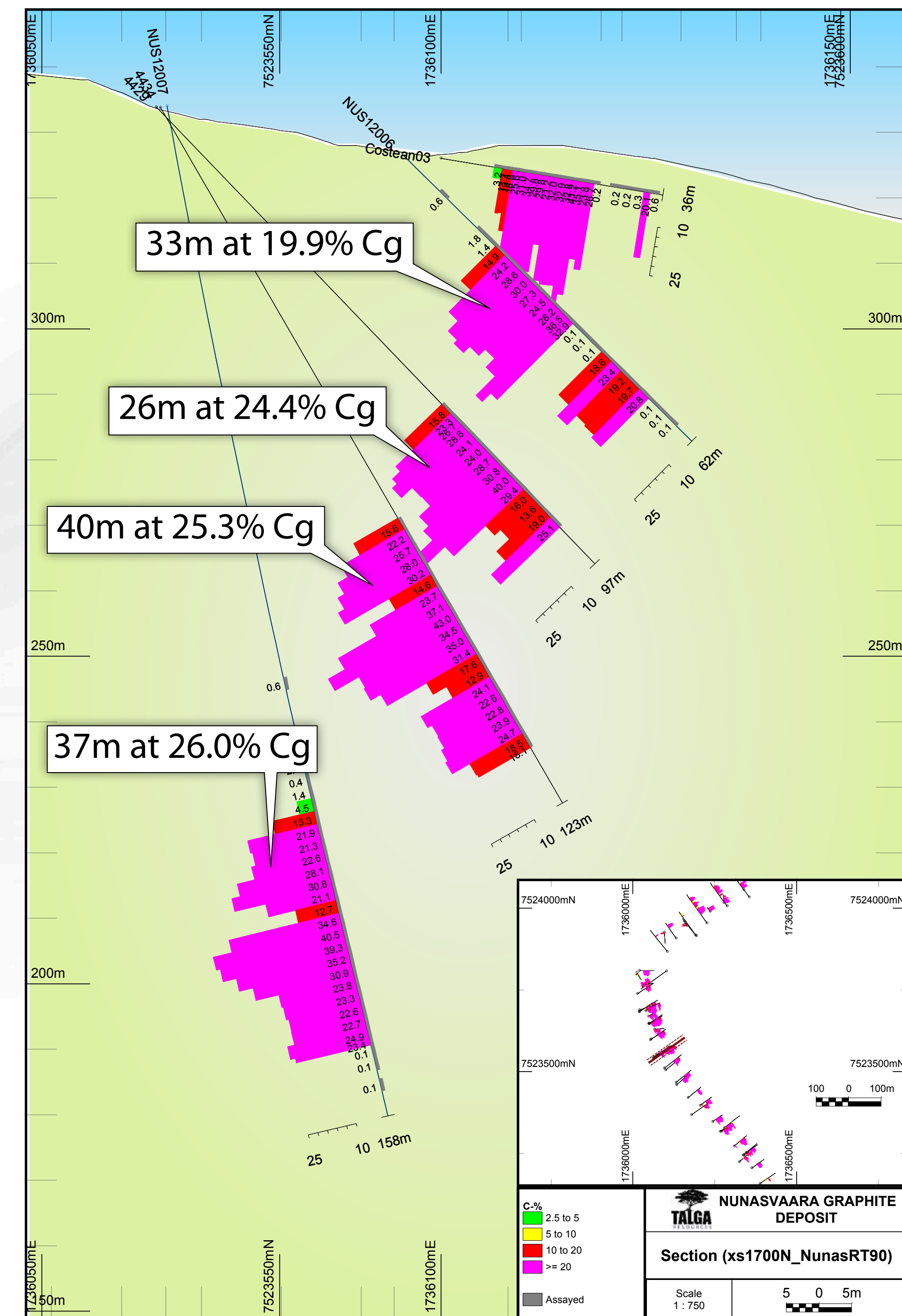


TALGA
RESOURCES

-
- The map displays the Niska area with various geological features and rock chip data. The legend indicates the following symbols and colors:
- Rock chip %Cg: 29.0%
 - Graphite: Black line
 - Iron: Red line
 - Fault (inferred): Dashed line
 - Granite: Light pink
 - Dolomite: Light blue
 - Mafic Schist: Grey
 - Greenstone: Light green
- The map shows several locations with rock chip data:
- Niska:** 23.7%, 35.8%, 19.7%
 - Airikurkkio:** 23.7%, 38.6%, 29.0%, 18.1%
 - Hänkanunasvaara:** 37.3%, 34.7%, 31.3%, 15.5%, 12.1%, 13.3%, 36.0%, 34.3%, 32.9%, 32.9%, 30.0%, 28.4%, 23.1%, 40.2%, 19.5%, 18.7%, 46.7%, 32.3%, 30.4%, 41.3%, 21.5%, 32.0%, 33.4%, 16.1%, 17.1%, 17.8%, 17.8%
 - Hosio:** 37.3%, 34.7%, 31.3%, 15.5%, 12.1%, 13.3%, 36.0%, 34.3%, 32.9%, 32.9%, 30.0%, 28.4%, 23.1%, 40.2%, 19.5%, 18.7%, 46.7%, 32.3%, 30.4%, 41.3%, 21.5%, 32.0%, 33.4%, 16.1%, 17.1%, 17.8%, 17.8%
 - Nunasvaara Deposit:** 37.3%, 34.7%, 31.3%, 15.5%, 12.1%, 13.3%, 36.0%, 34.3%, 32.9%, 32.9%, 30.0%, 28.4%, 23.1%, 40.2%, 19.5%, 18.7%, 46.7%, 32.3%, 30.4%, 41.3%, 21.5%, 32.0%, 33.4%, 16.1%, 17.1%, 17.8%, 17.8%
 - Ylisuannonmaa:** 29.9%, 31.4%, 41.0%, 12.0%, 33.4%, 20.6%, 35.6%, 32.4%, 31.2%
- The map also includes a scale bar (1000m) and a north arrow.

Nunasvaara Graphite Deposit

- ▶ Talga 2012 infill drilling confirms historical results and extends deposit from surface to 165m depth (open) and to 1200m strike (open).
- ▶ Downhole intercepts include:
85.1m at 22.1% Cg including **33.8m at 30.5% Cg** (Hole NUS12018)
59.8m at 26.4% Cg including **29.1m at 31.0% Cg** (Hole NUS12012)
See Appendix 1 for details of 2012 drill results.
- ▶ True width ranges 8-33m (average 20m over length of resource).
- ▶ Initial petrography identified Nunasvaara graphite to be predominantly ultrafine flake (<75 microns, also known as amorphous) size with a minor component of coarser flake (75-300 microns).
- ▶ Remains open at depth and along strike. Less than 8% of of the 15km long graphite unit drilled to date.
- ▶ Additional JORC Exploration Target¹ defined along strike of 34-51Mt @ 20-25% Cg for top 100m only.



Nunasvaara Graphite Deposit

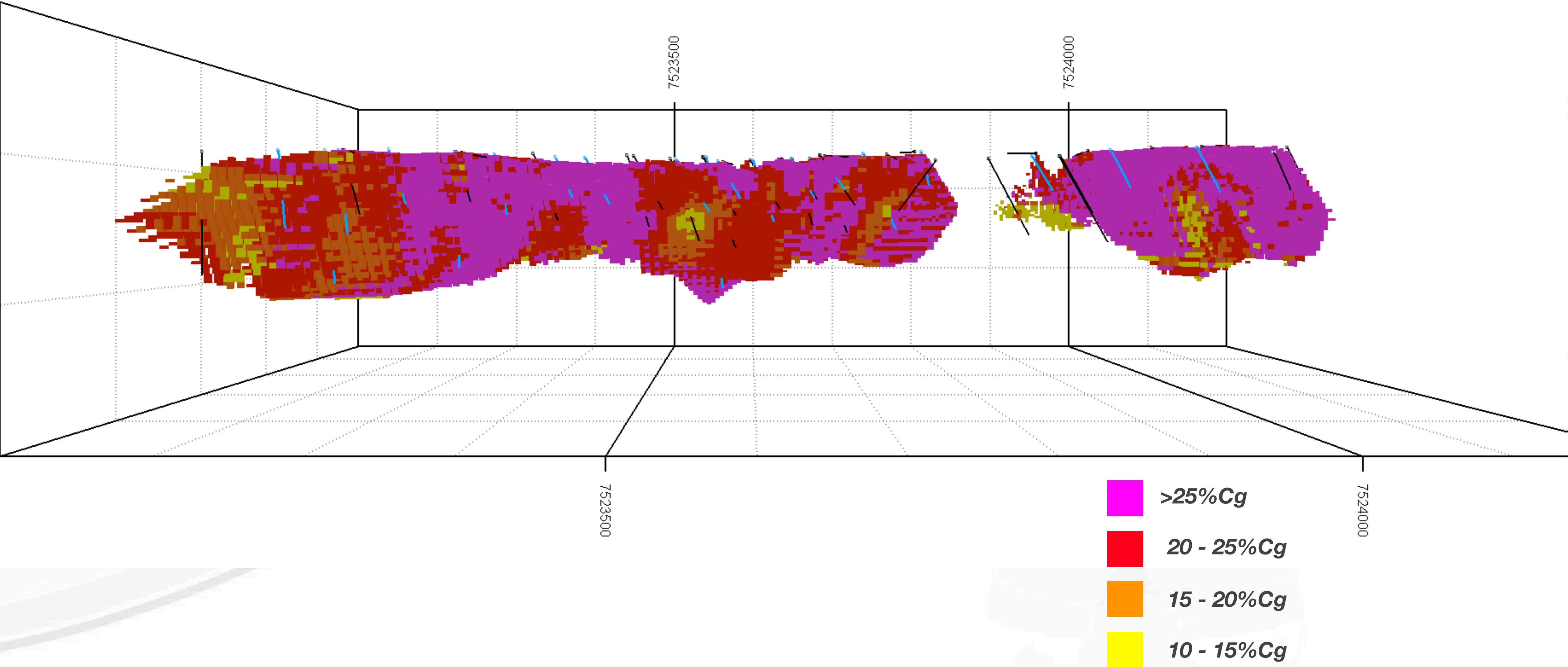
- ▶ Total JORC resource 7.6Mt @ 24.4% Cg (estimate Nov 2012) at 10% Cg lower cut-off.
- ▶ Indicated status from surface to 125m depth and Inferred status 125-165m.
- ▶ Exceptional resource grade, open-pit geometry, proximity to low cost power and transport infrastructure provides economic advantages for the production of ultrafine graphite (Feb 2013 average price US\$600/t. See Appendix 4).
- ▶ 20+ year mine life potential at initial 0.3-0.5Mtpa mining option to produce at least 80kt graphite product per annum.
- ▶ Metallurgy underway, with results to be incorporated into scoping study for completion Q2/3.
- ▶ Nunasvaara is designated an 'Area of National Interest for Mineral Extraction', a classification that prioritises exploitation of mineral resources.

Nunasvaara Mineral Resource (10% Cg lower cut-off grade) Nov 2012

Classification	Tonnes (Mt)	Graphite (%Cg)	Contained Graphite (tonnes)
Indicated	5.6	24.6	1,377,600
Inferred	2.0	24.0	480,000
Total	7.6	24.4	1,857,600



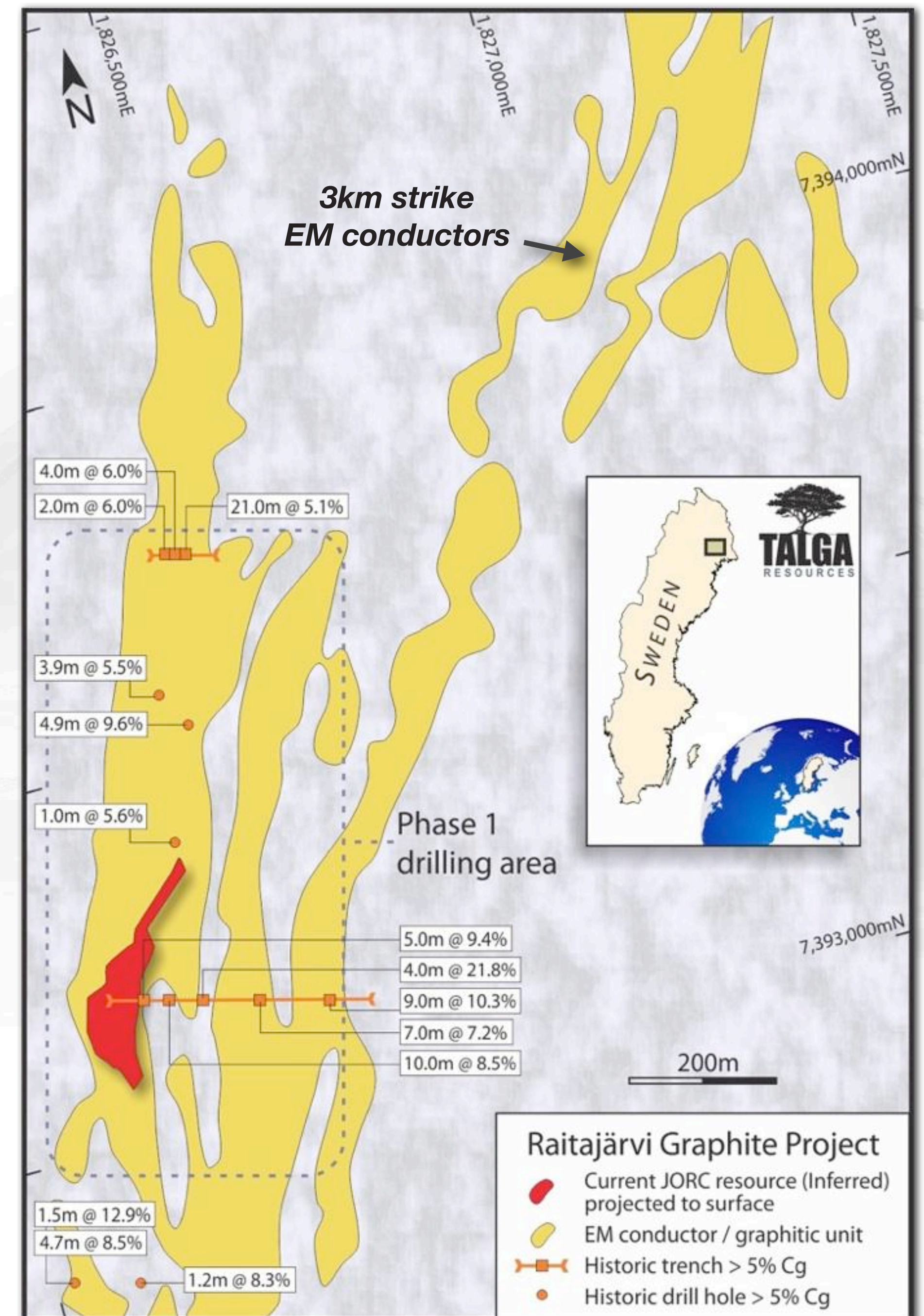
Nunasvaara Graphite Deposit - Video



Raitajärvi Graphite Project

- ▶ Preliminary JORC Inferred resource 0.5Mt @ 10.8%Cg (using 5% lower cut-off) delineated using historic diamond drill holes by Swedish Geological Survey (see appendix 2). Only tested 300m strike; Resource depth 70m, open at depth and along strike.
- ▶ Growth potential: 3km mapped EM conductors/trenched graphite to test. Drilling and trenches indicate much thicker zones than historically drilled zone.
- ▶ Coarse flake graphite with attractive product specifications defined in historic test results.
- ▶ Distance to: Highway and grid power = 2km, Rail = 28km.
- ▶ Drilling commenced Feb 18 for resource expansion and data for economic studies.

Drilling underway at Raitajärvi Feb-Mar 2013



Raitajärvi Coarse Flake Graphite

- ▶ Historic work by SGU (see Appendix 3) showed a high content of coarse flake sizes present with 87% of observed graphite flake >100 micron size and 49% of deposit >200 micron size.
- ▶ Historic tests produced graphite concentrate grading 90-93%C from simple (unoptimised) flotation and 99%C in basic upgrade test.
- ▶ A graphite concentrate similar to the volume weighted average of Raitajärvi flake would fetch approximately \$1200/t as of Feb 2013 (see Appendix 4 for price data).



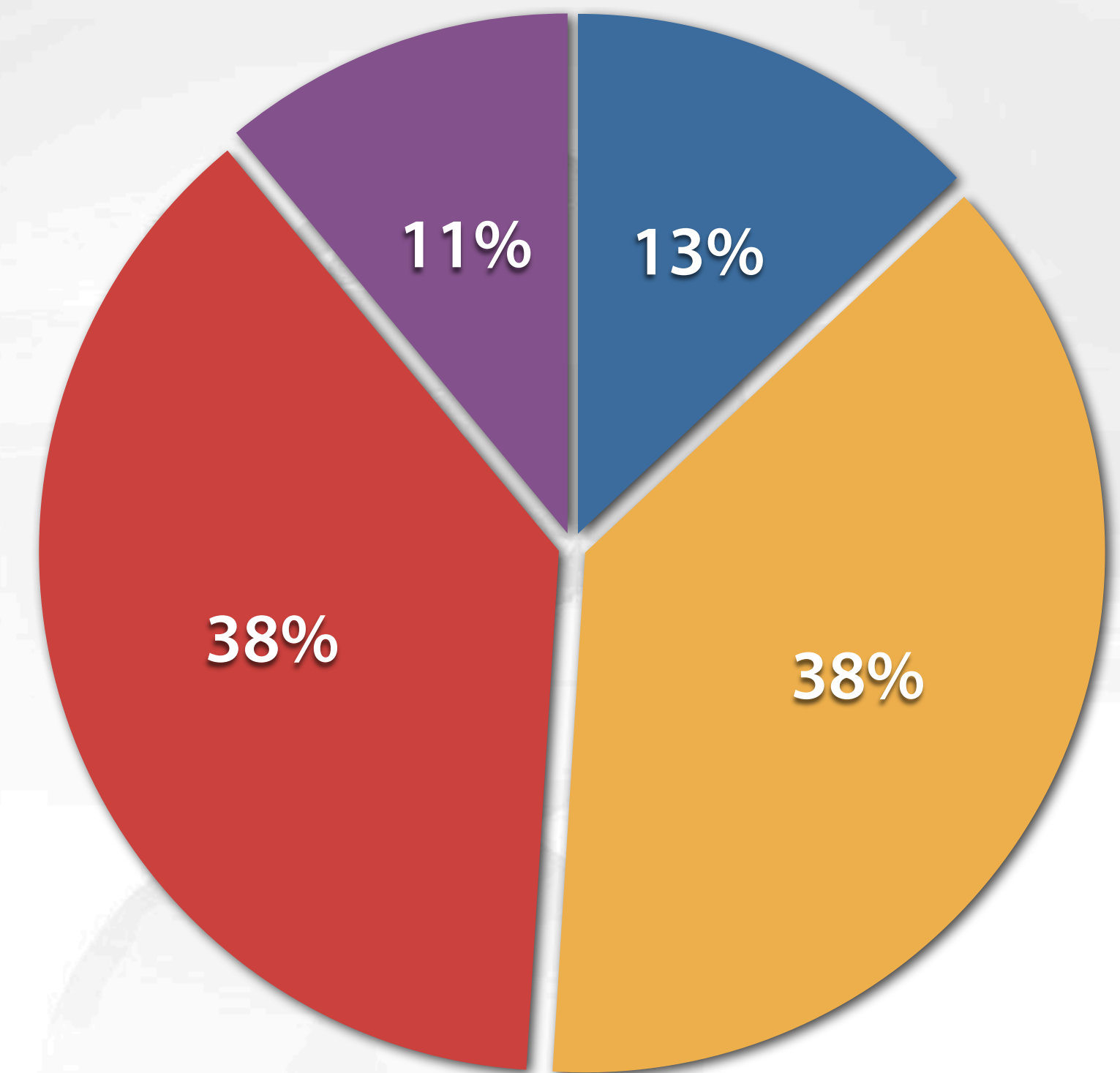
Talga drillcore at Raitajärvi, Feb 2013 showing coarse flake graphite.



Coarse flake graphite in surface trench

Graphite flake size distribution
(historic drill sample microscopy, n=87)

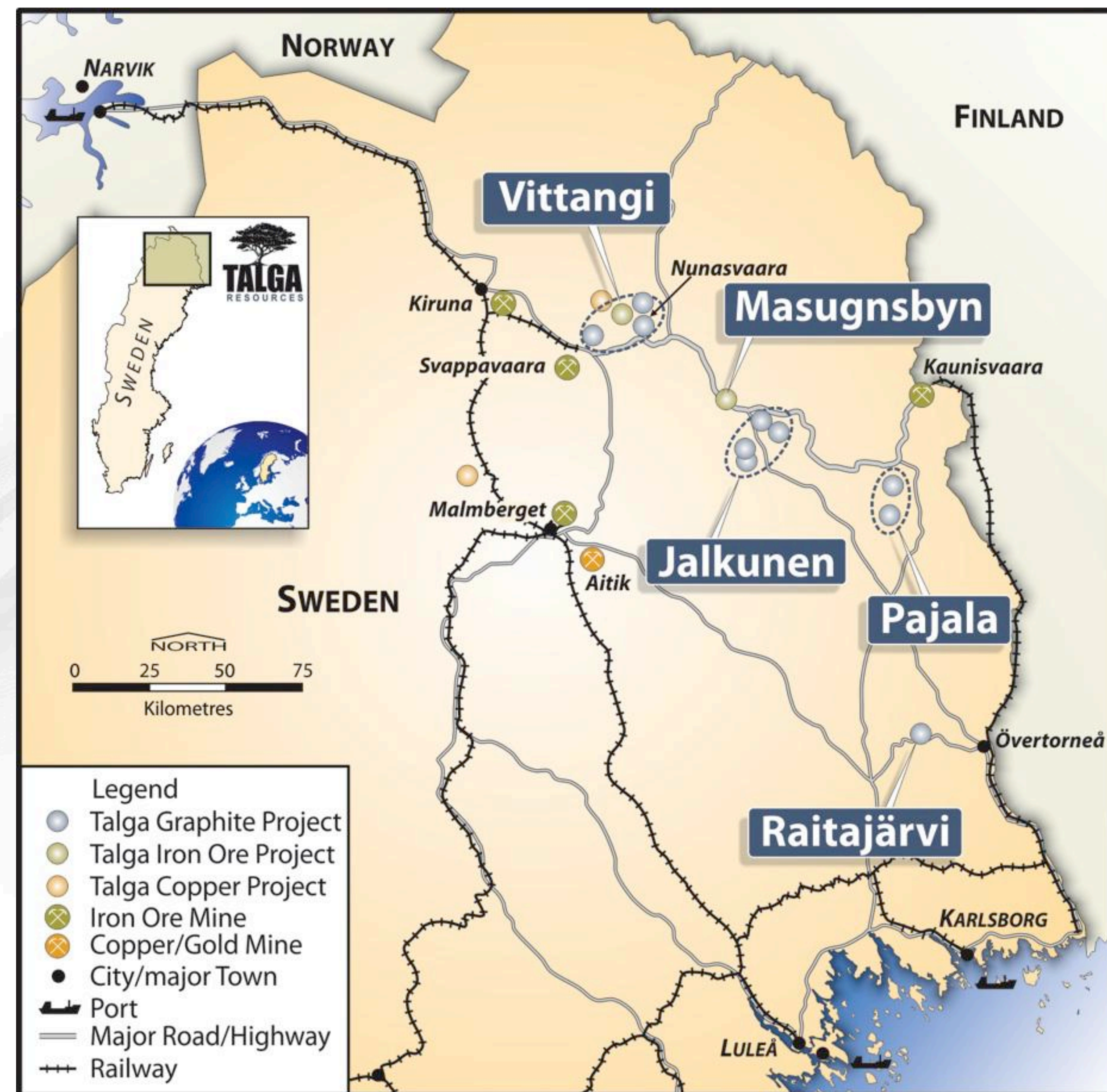
- <100 micron (ultrafine to fine flake)
- 100-200 micron (fine, medium to large flake)
- 200-400 micron (large to extra large flake)
- >400 micron (extra large flake and above)



Exploration Projects

- ▶ Talga owns 100% suite of advanced stage graphite deposits defined by historic diamond drilling and geophysics.
- ▶ Blue sky potential for further discoveries and resources to be added in the short term.

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



Indicative Path to Key Graphite Milestones

Activity	2012			2013				2014			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Nunasvaara Geophysics											
Enviro/Stakeholder Surveys											
TCL Sweden Ltd Acquisition											
Nunasvaara Drill Phase 1											
Nunasvaara Results/Resource											
Nunasvaara Scoping Study											
Drilling Raitajärvi Phase 1											
Exploitation Permitting											
Raitajärvi Results/Resource											
Raitajärvi Scoping Study											
Nunasvaara Drill 2/Feasibility											
Raitajärvi Drill 2/Prefeasibility											
Nunasvaara Decision to Mine*											
Raitajärvi Decision to Mine*											

**Beyond decision to mine, construction start subject to overall permitting.*

World JORC and NI 43-101 Graphite Resources

Company	Deposit	Location	Fraser# Country Ranking	Resource Grade % Graphite	Market Cap.* US\$M
Talga Resources	Nunasvaara	Sweden	2	24.4	12
Mason Resources	Lac Guéret	Quebec	11	19.3	46
Focus Graphite	Lac Knife	Quebec	11	15.7	73
Lincoln Minerals	Koppio	South Australia	20	13.1	19
Lincoln Minerals	Kookaburra Gully	South Australia	20	11.5	19
Archer Exploration	Campoona	South Australia	20	10.5	14
Talga Resources	Raitajärvi	Sweden	2	10.8	12
Flinders Resources	Kringel	Sweden	2	10.5	32
Lamboo Resources	Geuman	South Korea	>96	10.0	8
Syrah Resources	Balama West	Mozambique	>96	9.8	433
Strategic Energy Resources	Uley	South Australia	20	8.7	14
Castle Minerals	Kambale	Ghana	54	7.2	10
Lamboo Resources	Taehwa	South Korea	>96	6.8	8
Energizer Resources	Molo	Madagascar	85	6.4	34
Graphite One Resources	Graphite Creek	Alaska	19	5.8	12
Lamboo Resources	Samcheok	South Korea	>96	5.0	8
Ontario Graphite	Kearney	Ontario	16	2.4	u/listed
Northern Graphite	Bisset Creek	Ontario	16	1.8	51

Notes

World total global JORC Code and/or NI 43-101 Mineral Resource estimates up to **1 Feb, 2013**. Source TMR Graphite Index and Public Company Data.

*Data from Bloomberg, undiluted and approximate as of 5 Mar 2013. # Fraser Institute Annual Survey of Mining Companies 2012-13 (n=96)

Investment Highlights

Grade	Highest grade graphite resource in the world (Nunasvaara 7.6Mt @ 24.4% Cg). Grade provides the opportunity for low cost production and high margins.
Sweden	Operating in a top mining jurisdiction with producing infrastructure on the doorstep of European markets. Extremely low cost power , port agreement in place and rail options.
Product Suite	Multiple deposits cater for demand from ultrafine flake to coarse flake end users.
Demand	Strong commodity price outlook, expanding applications and significant Europe market .
Scale	Large land position with current Nunasvaara resource expected to exceed 20 year open-cut mine life alone. No risk of flooding the market; focus is on grade/profitability .
Simple Path to Production	At advanced stage with resources in place and feasibility studies commencing
Cheap	Relative to peers Talga appears undervalued particularly given the estimated capex on the graphite, low costs of production, jurisdiction and proximity to markets.
Newsflow	Ongoing newsflow anticipated including new drilling results at Raitajärvi, potential resource upgrades, preliminary economic studies on both Nunasvaara and Raitajärvi, strategic partnerships and potential divestment of gold and iron ore assets.



The Economist Magazine Feb 2013



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Appendices

Appendix 1. Nunasvaara - 2012 diamond drilling results.

Hole ID	East (RT90)	North (RT90)	EOH (m)	Azi	Dip	From (m)	To (m)	Interval (m)	Est. True Width (m)	% Graphite
NUS12001	1736020	7523809	63.5	90	-44	17.4	42.3	24.8	22	24.9
NUS12002	1736014	7523738	110.1	55	-61	59.0	84.6	25.7	19	21.4
NUS12003	1736039	7523687	58.0	58	-45	8.0	38.3	30.3	25	28.7
					incl.	12.0	38.3	26.3	22	30.2
NUS12004	1736050	7523646	66.2	57	-46	7.3	47.5	40.2	33	28.2
					incl.	19.0	45.0	26.0	21	30.5
NUS12005	1736056	7523600	87.0	58	-60	49.9	78.7	28.8	24	25.4
					incl.	66.0	70.0	4.0	3	30.8
NUS12006	1736096	7523559	62.3	54	-45	20.0	53.0	33.0	27	19.9
					incl.	32.0	36.7	4.7	4	31.9
NUS12007	1736063	7523544	157.9	52	-80	110.0	146.7	36.7	18	26.0
					incl.	118.0	136.0	18.0	9	30.4
NUS12008	1736096	7523511	91.1	52	-44	48.9	73.3	24.3	20	22.5
NUS12009	1736168	7523421	72.3	50	-45	49.3	59.0	9.8	8	32.9
NUS12010	1736206	7523398	59.9	55	-46	28.0	47.5	19.5	17	25.0
					incl.	38.0	47.5	9.5	8	31.2
NUS12011	1736243	7523348	69.2	55	-59	20.0	59.4	39.4	29	26.4
					incl.	43.7	56.0	12.3	9	31.4
NUS12012	1736271	7523318	109.6	55	-80	38.5	98.3	59.8	24	26.4
					incl.	69.2	98.3	29.1	12	31.0
NUS12013	1736309	7523273	70.7	51	-45	27.0	57.0	30.0	27	28.1
					incl.	31.0	57.0	26.0	23	31.1
NUS12014	1736339	7523244	76.6	51	-69	22.5	61.2	38.7	24	17.5
NUS12015	1736325	7523225	119.0	51	-76	64.0	109.7	45.7	30	17.8
					incl.	79.0	91.0	12.0	8	30.5
NUS12016	1736363	7523206	79.3	54	-56	35.4	53.0	17.6	13	25.4
NUS12017	1736288	7524006	115.0	324	-42	59.7	96.5	36.8	18	23.5
					incl.	61.0	67.0	6.0	3	33.1
NUS12018	1736226	7523954	150.9	324	-44	45.9	131.0	85.1	33	22.1
					incl.	45.9	79.7	33.8	13	30.5
NUS12019	1736132	7523908	78.9	324	-44	52.2	66.2	14.0	12	23.5

Note. Samples consisting of half core (original core diameter approximately NQ size) were prepared and assayed by ALS-Chemex with graphite and multi-elements respectively measured using the LECO and ICP techniques. Internal laboratory QAQC was completed during sample analysis and external standards used to monitor quality, with satisfactory results. Intercepts may vary across different datasets due to rounding.

Appendix 2. Raitajärvi - Historical diamond drilling results selected where interval >5%Cg and including internal waste.

Hole ID	East (RT90)	North (RT90)	Collar RL (m)	Azi	Dip	EOH (m)	From (m)	To (m)	Interval (m)	Grade %Cg
AI91001	1826154	7392824	110	105	-50	71.3	46.5	47.7	1.2	8.3
AI91002	1826067	7392848	106	105	-50	81.0	33.0	34.5	1.5	12.9
							70.0	74.6	4.7	8.5
AI91003	1826207	7,393,209	120	105	-50	69.2	14.1	15.2	1.1	9.3
							22.9	55.8	33.0	10.6
							63.6	65.5	1.9	8.9
AI91004	1826188	7393214	117	105	-50	60.8	25.7	53.0	27.3	10.6
AI91005	1826241	7393298	126	105	-50	93.2	45.5	48.2	2.8	7.5
							59.5	68.0	8.5	8.2
AI91006	1826320	7393360	136	105	-50	83.7	45.0	46.8	1.8	5.7
							54.8	57.4	2.6	6.8
AI91008	1826189	7393105	114	105	-50	76.9	10.7	12.8	2.1	8.2
							13.6	15.0	1.4	5.4
							32.6	58.0	25.4	8.2
AI91009	1826196	7393165	117	105	-50	83.4	8.6	47.4	38.8	8.0
							60.8	64.2	3.4	7.3
AI92001	1826189	7393136	115	105	-45	56.9	10.0	15.4	5.4	7.9
							23.0	49.0	26.0	7.3
							51.0	52.9	1.9	5.5
							55.0	56.9	1.9	6.0
AI92002	1826239	7393247	126	105	-45	55.4	6.3	9.2	2.9	15.3
							15.9	44.7	28.9	14.2
AI92003	1826272	7393290	130	105	-45	45.5	8.6	10.5	2.0	6.4
							12.2	21.3	9.1	5.9
AI92004	1826343	7393353	140	105	-45	45.4	20.3	21.5	1.3	5.0
AI92005	1826359	7393390	142	105	-45	52.5	19.4	20.4	1.0	5.6
AI92006	1826421	7393540	146	105	-45	35.6	14.3	19.2	4.9	9.6
AI92008	1826394	7393589	139	105	-45	52.7	27.0	30.9	3.9	5.5
AI92009	1826253	7393269	127	105	-45	51.1	16.7	19.2	2.5	13.5
							37.0	42.2	5.2	9.4
AI92010	1826225	7393251	123	105	-45	67.4	16.8	19.1	2.3	11.3
							42.7	44.0	1.4	13.5
							50.4	61.8	11.5	14.1
AI92011	1826222	7393226	121	105	-45	51.7	11.4	45.8	34.4	9.9
							47.7	49.2	1.5	5.9

Note. Historical diamond drill sampling conducted by SGU. Graphitic carbon assay by LECO detector.

Appendices

Appendix 3. Raitajärvi - Historic graphite flake size measurements from 87 samples observed.

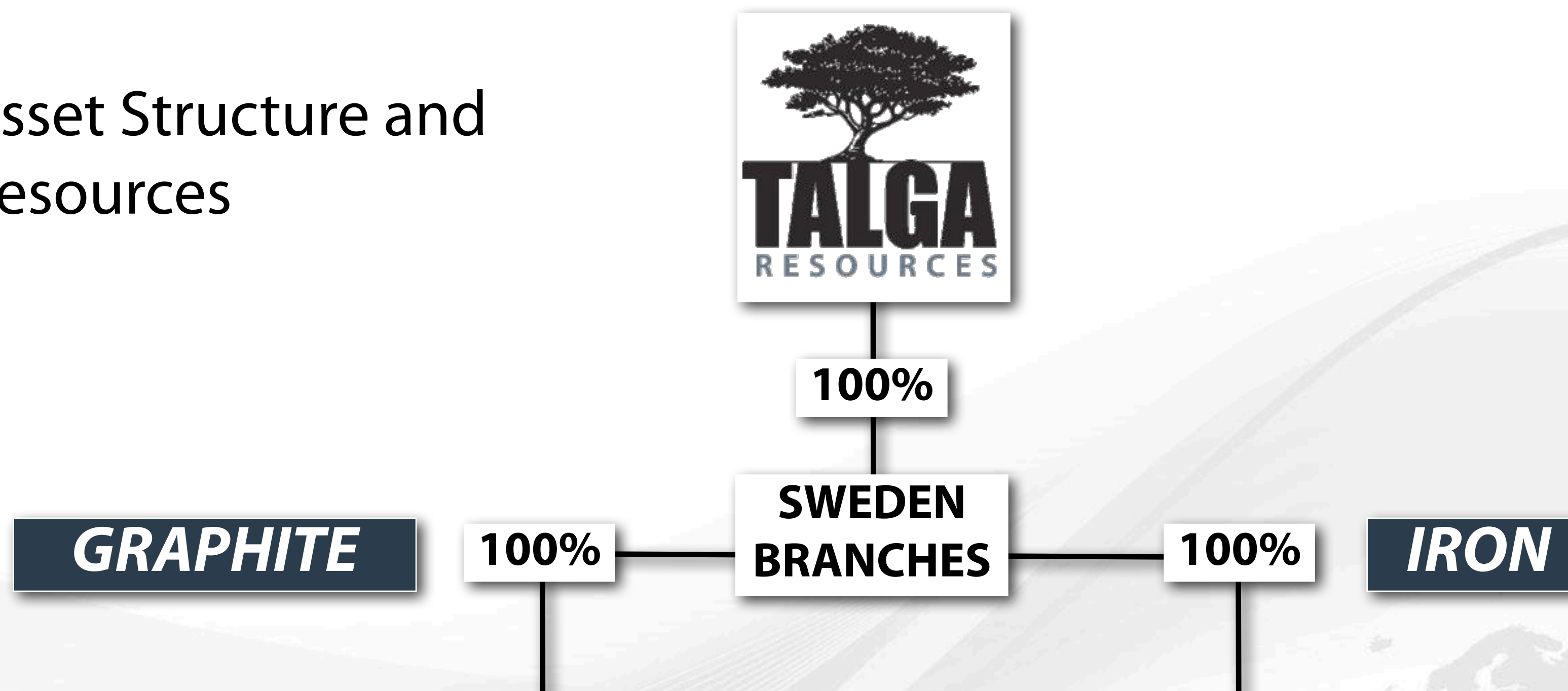
Sampled Profile	<100 micron	100-200 micron	200-400 microns	>400 microns
3605N	10%	40%	50%	0%
2905N	10%	40%	50%	0%
2310N	10%	40%	50%	0%
2080N	20%	40%	30%	10%
1880N	20%	50%	30%	0%
1800N	10%	60%	30%	0%
1775N	10%	30%	40%	20%
1750N	10%	30%	40%	20%
1725N	10%	20%	40%	30%
1705N	20%	30%	30%	20%
1660N	10%	50%	30%	10%
1630N	20%	20%	40%	20%
1600N	10%	50%	30%	10%
Weighted Ave.	13%	38%	38%	11%

Appendix 4. Common natural graphite concentrate product sizes, grades and prices

Microns	Graphite Size US Mesh	% C	US \$/tonne
300+	50+	94-97	>1800
180-300	80-50	94-97	1600
		90	1400
150-180	100-80	94-97	1225
		90	1075
		85-87	1025
75-150	200-100	94-97	1050
		90	950
-75	-200	80-85	600

Source: Industrial Minerals Magazine Feb 2013.
All prices FCL, CIF European Port.
Note prices averaged from low-high range and selected as common commercial products where natural graphite sold as concentrate. Many specialty grades with much higher prices are traded but do not represent the bulk of market demand.

Talga Asset Structure and JORC Resources



Classification	Tonnes (Mt)	Graphite (%Cg)
Indicated	5.6	24.6
Inferred	2.0	24.0
Total	7.6	24.4

Nunasvaara Graphite Mineral Resource @ 10% Cg low cut-off Nov 2012

Classification	Tonnes (Mt)	Graphite (%Cg)
Inferred	0.5	10.8

Raitajärvi Graphite Mineral Resource @ 5% Cg low cut-off Feb 2012

Classification	Tonnes (Mt)	Iron as Magnetite (%Fe _{mag})
Indicated	49.7	30.0
Inferred	37.5	29.6
Total	87.2	29.9

Masugnsbyn Global Iron Mineral Resource @ 20%Fe_{mag} low cut-off Oct 2012

References & Qualified Persons

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.

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 of CoxsRocks 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 report of the matters based on this information in the form and context in which it appears.