

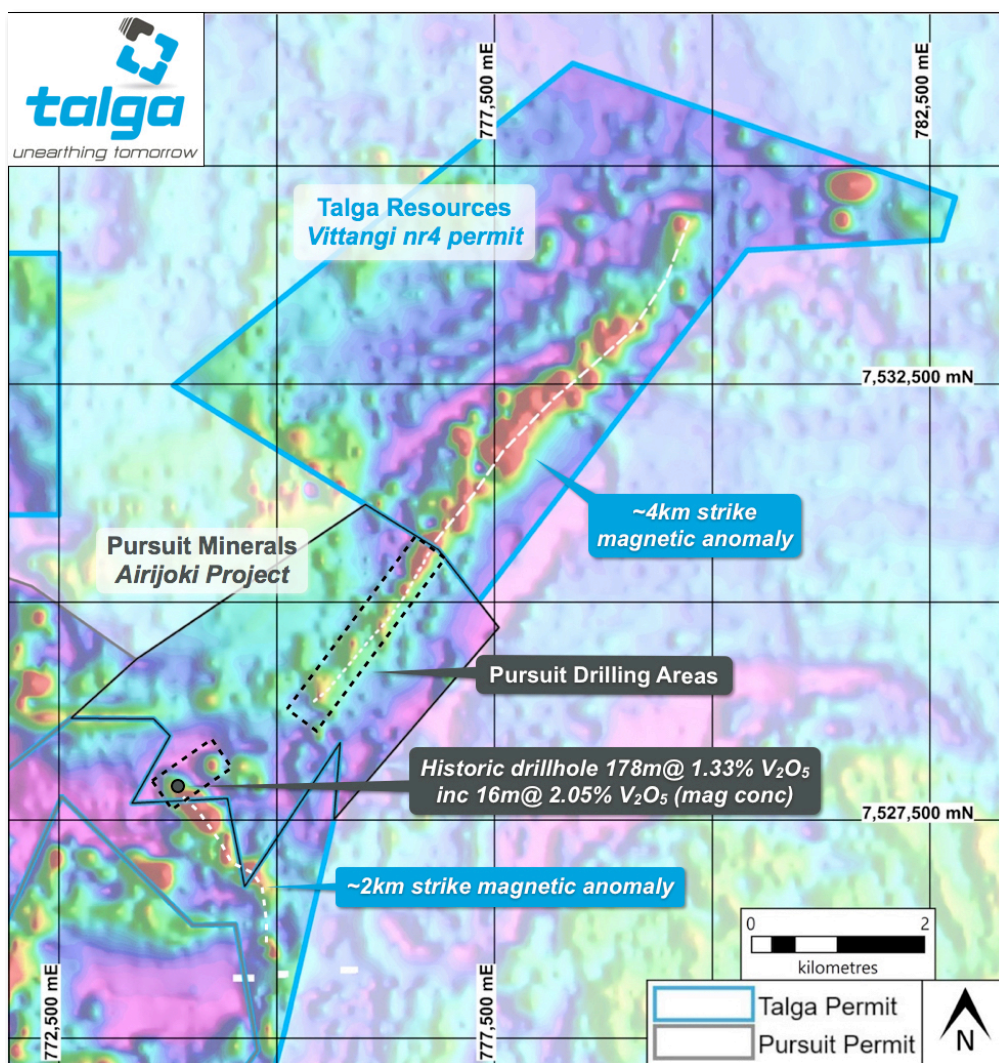
Vanadium Prospect Identified in Talga Permits

Australian advanced materials technology company, Talga Resources Ltd (“**Talga**” or “**the Company**”) (**ASX:TLG**), advises it has identified a significant vanadium prospect on the Company’s 100% owned Vittangi project in northern Sweden.

The discovery follows a recently completed internal review of Talga’s Swedish projects to assess vanadium potential in response to the metal’s continuing price increase (up over 550% since 2015¹ to US\$95/kg in Western Europe²) amid strong demand for steel and batteries.

The review identified known vanadium-bearing magnetite horizons within the northeastern part of Talga’s Vittangi project defined by adjacent historic drilling, airborne magnetic imagery, surface sampling and mapping by the Geological Survey of Sweden (“SGU”). The vanadium bearing horizon can be traced into Talga’s ground as a distinct high amplitude magnetic signature that strikes for over 4km in the northeast and 2km in the southeast (see Fig 1).

Figure 1 Location map showing vanadium exploration activities on airborne magnetic imagery in the north east part of Talga’s Vittangi project.



ASX-listed Pursuit Minerals Ltd (ASX: PUR) (“Pursuit”) has previously announced³ that sampling of the historic SGU core drilling in their permit along strike of Talga returned vanadium in magnetite concentrate grades of 178.3m @ 1.33% V₂O₅ from 9.0m including 31.0m @ 1.40% V₂O₅ from 18m and 16m @ 2.03% V₂O₅ from 171.3m. More recently Pursuit has announced⁴ it has conducted a major drilling campaign along this same horizon (adjacent to Talga’s permits) with the objective to define a JORC compliant vanadium resource.

Talga Managing Director, Mr Mark Thompson: *“It is exciting that more strategic metals have been identified in Talga’s existing permits, and the large scale of these vanadium horizons hold great potential. We will await the results of nearby exploration to see what further action is warranted, in line with remaining focussed on our graphene and graphite business strategy”.*

About Talga

Talga Resources Ltd is an advanced materials technology company enabling stronger, lighter and more functional products for the multi-billion dollar global coatings, battery, construction and polymer composites markets via graphene and graphite products. The company has significant advantages owing to its 100% owned unique high grade graphite deposits in Sweden and in-house processing and product technology. Joint development programs are underway with a range of international corporations. Company website: www.talgaresources.com

For further information please contact:

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References

1 *“Ebb and Flow: High Vanadium Prices Hinder the Spread of Redox Flow Batteries” CRU Consulting 2018*

2 *Fastmarkets MB December 2018*

3 *Pursuit Minerals Ltd ASX announcement 27 August 2018*

4 *Pursuit Minerals Ltd ASX announcement 5 December 2018*



JORC Code 2012 Edition

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Not applicable; no sampling or drilling completed or reported by Talga.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Not applicable; no sampling or drilling completed or reported by Talga.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Not applicable; no sampling or drilling completed or reported by Talga.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Not applicable; no sampling or drilling completed or reported by Talga.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Not applicable; no sampling or drilling completed or reported by Talga.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • Not applicable; no sampling or drilling completed or reported by Talga.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Vittangi Project is located across licences Nunasvaara nr 2, Vittangi nr 2-4 owned 100% by the Company's Swedish subsidiaries Talga Graphene AB and Talga Battery Metals AB. The airborne magnetic anomalies referred to in this report are located within licences Vittangi nr 2 and 4. The licences are wholly owned by the Company and are located in forested areas. The area is used for seasonal grazing by local indigenous Sami reindeer herders. The licences are in good standing with no known impediments.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Graphite was first identified in the Nunasvaara area in the early 1900's and has been extensively explored since that time. In the early 1980's LKAB completed diamond drilling and test mining at Nunasvaara. More recently the area has been explored by Anglo American and Teck Cominco for copper and base metals prospectivity. Exploration within the Airijoki area (subject of this report) was first completed by the Geological Survey of Sweden (SGU) during the early 1980's; their work included the diamond drilling referred to in this report and recently re-assayed by ASX-listed explorer Pursuit Minerals Ltd. Drillhole details relating to this historic drilling can be found in Pursuit Minerals Ltd's ASX announcement dated 27 August 2018. The airborne magnetic data and imagery used in this report (Figure 1) has been acquired from the SGU and reprocessed internally by Talga; the survey was flown during the 1960's.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The vanadium mineralisation at Airijoki is hosted by a magnetite-rich metadiabase unit belonging to the Vittangi Greenstone Group. The highest vanadium grades are located adjacent to the western tuff horizon.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Not applicable; no sampling or drilling completed or reported by Talga. Economic-grade vanadium mineralisation has been identified at Airijoki through historic drilling and outcrop sampling directly adjacent to Talga's permits. It is yet to be confirmed by sampling whether this mineralised horizon continues along strike and onto Talga's permits.

Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • An appropriate location map (Figure 1) has been included in this report.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • The re-assaying result reported in this report was one of two holes re-assayed by neighbouring explorer Pursuit Minerals Ltd and is representative of the vanadium grades returned from both the balance of historic drillholes and outcrop samples.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • No other material exploration data to report.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Talga will await the results of the current diamond drilling campaign being completed by neighbouring Pursuit Minerals Ltd before deciding to implement a substantive exploration programme for vanadium on its own permits.