



ASX Code: TLG

Talga Gold Ltd

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Corporate Information

ASX Code **TLG**

Shares on issue **53.30m**

Options (unlisted) **4.35m**

52 week high **A\$0.77**

52 week low **A\$0.12**

Cash (at 21 Sept) **A\$2.8m**

Company Directors

Sean Neary

Non-Executive Director &
Chairman

Mark Thompson

Managing Director

Piers Lewis

Non-Executive Director &
Company Secretary



SPECTACULAR GRAPHITE GRADES INTERCEPTED IN TALGA'S MAIDEN SWEDISH DRILL PROGRAM

- Assay results received from maiden 19 hole diamond drilling program at the Nunasvaara graphite deposit, Sweden.
- Downhole intercepts include 85.1m at 22.1% graphite ("Cg") including 33.8m at 30.5% Cg (Hole NUS12018) and 59.8m at 26.4% Cg, including 29.1m at 31.0% Cg (Hole NUS12012).
- New resource estimate has commenced.

Maiden Drill Program

Talga Gold Limited (ASX: TLG; "Talga" or "the Company") is pleased to announce drilling results from its 100% owned Nunasvaara graphite project in northern Sweden (Fig 1).

The Company announced it had completed its stage 1, 19 hole diamond drilling programme at Nunasvaara on 30 July, 2012. The program was Talga's first drill test at Nunasvaara and was designed to upgrade the size and status of this high-grade graphite resource.

Talga's drilling intersected graphite over approximately 1,200m length strike and to vertical extent of 140m depth, remaining open at depth and along strike. Less than 8% of the greater Nunasvaara graphite unit has been drill tested to date, with Talga having recently commenced exploration of the remaining 15km strike length.

Assay Results

The Company has now received assay results from all 19 drill holes of this program. Significant downhole graphite results were returned from every hole drilled and are summarised below. Drillhole location data is provided in Fig 2 and Appendix 1.

- Hole NUS12001: 24.8m at 24.9% graphite ("Cg")
- Hole NUS12002: 25.7m at 21.4% Cg
- Hole NUS12003: 30.3m at 28.7% Cg including 26.3m at 30.2% Cg
- Hole NUS12004: 40.2m at 28.2% Cg including 26.0m at 30.5% Cg
- Hole NUS12005: 28.8m at 25.4% Cg including 4.0m at 30.8% Cg
- Hole NUS12006: 33.0m at 19.9% Cg including 4.7m at 31.9% Cg
- Hole NUS12007: 36.7m at 26.0% Cg including 18.0m at 30.4% Cg
- Hole NUS12008: 24.3m at 22.5% Cg
- Hole NUS12009: 9.8m at 32.9% Cg
- Hole NUS12010: 19.5m at 25.0% Cg including 9.5m at 31.2% Cg
- Hole NUS12011: 39.4m at 26.4% Cg including 12.3m at 31.4% Cg
- Hole NUS12012: 59.8m at 26.4% Cg including 29.1m at 31.0% Cg
- Hole NUS12013: 30.0m at 28.1% Cg including 26.0m at 31.0% Cg
- Hole NUS12014: 38.7m at 17.5% Cg
- Hole NUS12015: 45.7m at 17.8% Cg including 12.0m at 30.5% Cg
- Hole NUS12016: 17.6m at 25.4% Cg
- Hole NUS12017: 36.8m at 25.5% Cg including 6.0m at 33.1% Cg
- Hole NUS12018: 85.1m at 22.1% Cg including 33.8m at 30.5% Cg
- Hole NUS12019: 14.0m at 23.5% Cg

The assays support what is renowned as the highest grade published graphite resource in the world (Ref: Technology Metals Research Advanced Graphite Projects Index). Assays were conducted on approximately two metre composite samples with the highest assay in this program being 44% Cg. Selected downhole intercepts may be considered 'spectacular' on the basis that of the 8 non-Talga graphite mineral resources published in the TMR Advanced Graphite Projects Index the approximate average deposit grade is 10% Cg and range approximately 2% Cg to 19% Cg.

Impact on JORC Mineral Resource

Results will be used to update the size and status of the current JORC code compliant inferred mineral resource of 3.60Mt @ 23% Cg and commence a preliminary economic (scoping) study in Q4. Further drilling for geotechnical/pit wall studies or infill to obtain a higher resource status of the resource will be undertaken as required. Pit optimisation studies are planned to commence in November before the preliminary economic study in December.

Managing Director, Mark Thompson said "The results are particularly pleasing for us as they have confirmed what the historical information indicated, and have even exceeded our expectations in some high-grade zones. We are confident the upcoming resource estimate to be compiled on Nunasvaara will reach our target of 20 year mine life potential and our work program continues towards the goal of near term production.

The confirmation and expansion of this resource is but the first of several graphite deposits we expect to develop in Sweden. We recognise several significant opportunities within the mineral endowment of the projects, which will add value to our Australian gold assets. It is encouraging to see this becoming more recognised in the capital markets recently, reflecting our continued growth."

Nunasvaara Graphite Deposit

The Nunasvaara graphite deposit is situated within the Vittangi greenstone belt of the Kiruna mining district and advantageously lies adjacent to sealed roads and grid power, approximately 20km from state-owned rail. There are multiple port options for export of bulk materials including Luleå to the south that currently handles Panamax size vessels for access to major graphite markets via the Baltic. Nunasvaara is a graphite project gained in the recent acquisition of TCL Sweden Ltd from Teck Resources Ltd in June 2012, to add to Talga's six other graphite deposits in the region.

For further information, please contact:

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Figure 1. Location map of Talga's graphite projects and established transport infrastructure in northern Sweden.

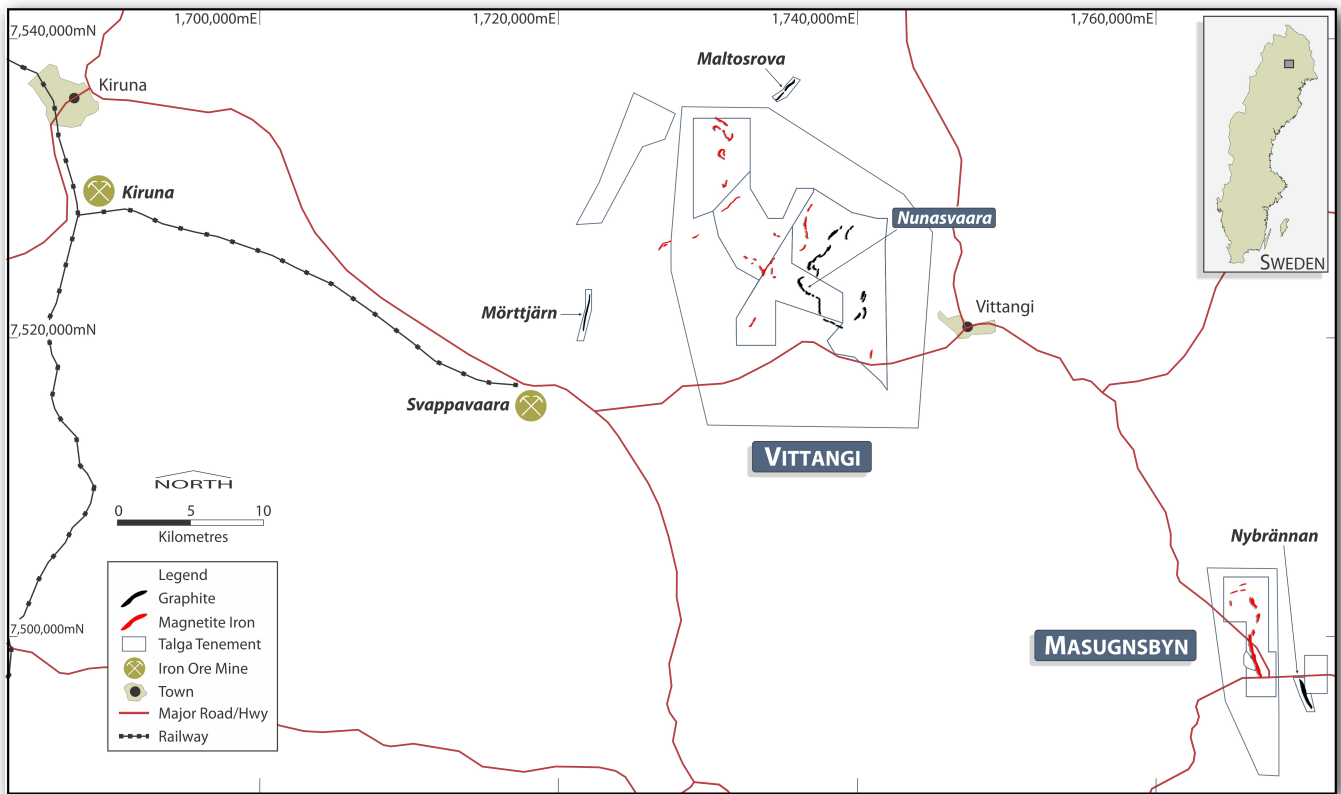


Figure 2. Drillhole location plan, Nunasvaara graphite deposit.

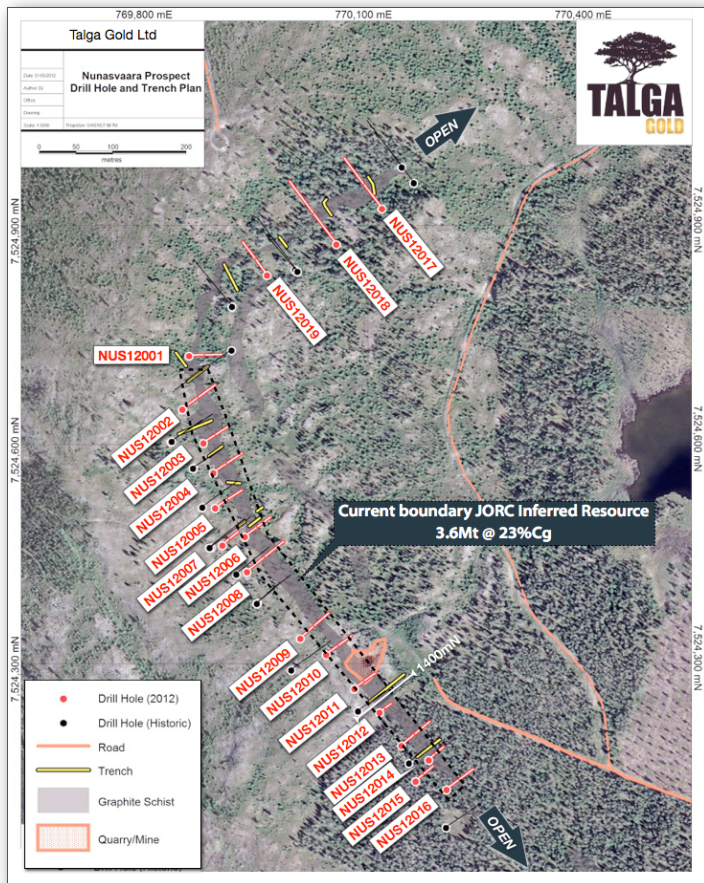
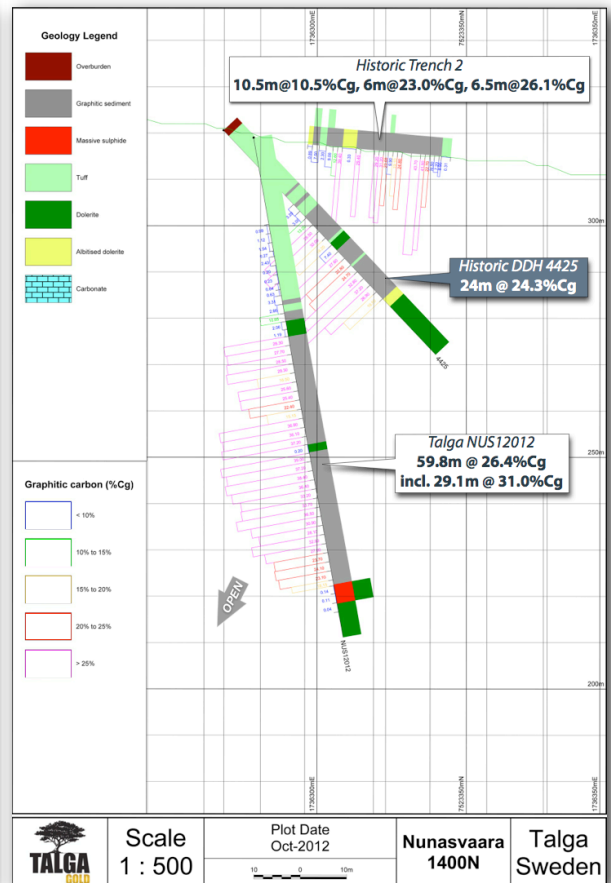


Figure 3. Schematic drill Section 1400mN.



APPENDIX 1

Drillhole data and graphite assay results

Hole ID	East (RT90)	North (RT90)	Hole Depth (m)	Azi	Dip	From (m)	To (m)	Interval (m)	Est. True Width (m)	% Graphite
NUS12001	1736020	7523809	63.45	90	-44	17.4	42.3	24.8	22	24.9
NUS12002	1736014	7523738	110.05	55	-61	59.0	84.6	25.7	19	21.4
NUS12003	1736039	7523687	58	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	86.95	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	157.85	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	72.25	50	-45	49.3	59.0	9.8	8	32.9
NUS12010	1736206	7523398	59.85	55	-46	28.0	47.5	19.5	17	25.0
incl.						38.0	47.5	9.5	8	31.2
NUS12011	1736243	7523348	69.15	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	70.65	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	118.95	51	-76	64.0	109.7	45.7	30	17.8
incl.						79.0	91.0	12.0	8	30.5
NUS12016	1736363	7523206	79.25	54	-56	35.4	53.0	17.6	13	25.4
NUS12017	1736288	7524006	115	324	-42	59.7	96.5	36.8	18	23.5
incl.						61.0	67.0	6.0	3	33.1
NUS12018	1736226	7523954	150.85	324	-44	45.9	131.0	85.1	33	22.1
incl.						45.9	79.7	33.8	13	30.5
NUS12019	1736132	7523908	78.85	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.

ABOUT TALGA GOLD

Talga Gold (**Talga**) (ASX: "TLG") is a diversified mineral explorer with a portfolio of graphite, iron, copper and gold projects in Sweden and Western Australia.

Since listing in July 2010, Talga has been actively exploring its portfolio of gold projects in the Yilgarn and Pilbara regions of Western Australia. In 2011 and 2012, Talga identified and subsequently acquired a number of graphite, iron and IOCG projects in Sweden.

GRAPHITE

Talga wholly owns a portfolio of advanced and high grade graphite projects in the Kiruna Mineral District of northern Sweden, all within a 110km radius of the central Jalkunen project.

The immediate focus is to advance multiple graphite projects towards development, with fast-tracking available due to the advantage of established quality infrastructure including power, road, rail and ports. Initially this will entail the expansion in size and upgrading of the categorisation of the existing high grade graphite resources published for Nunasvaara and Raitajärvi.

Additionally, it is also the Company's objective to complete drilling on a number of other projects, including the multiple JORC-code compliant exploration targets associated with the Jalkunen project.

IRON

Talga wholly owns exploration permits in the Kiruna mineral district recognised as containing significant iron ore deposits with considerable growth upside based on historic drilling and JORC compliant resources and exploration targets.

Talga's strategy is to advance the iron ore projects within the area and at an appropriate stage consider options to commercialise these assets either in their own right or in conjunction with other parties.

GOLD

Talga is actively exploring high grade gold projects in the Yilgarn and Pilbara regions of Western Australia. Additionally the Company owns several copper/gold projects within its Sweden portfolio.

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.