



 **ASX Code: TLG**

**Talga Gold Ltd**

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**Corporate Information**

ASX Code **TLG**

Shares on issue **53.30m**

Options (unlisted) **4.85m**

52 week high **A\$0.77**

52 week low **A\$0.12**

Cash (at 31 Oct) **A\$2.6m**

**Company Directors**

**Sean Neary**

Non-Executive Director &  
Chairman

**Mark Thompson**

Managing Director

**Piers Lewis**

Non-Executive Director &  
Company Secretary



## 110% increase in Nunasvaara graphite JORC mineral resource to 7.6Mt @ 24.4% graphite

- Nunasvaara mineral resource increased 110% to 7.6Mt @ 24.4% graphitic carbon ("Cg").
- 5.6Mt @ 24.6% Cg classified Indicated.
- Contained total graphite increased 123% to 1.8Mt.
- Preliminary economic studies to commence in December.

Talga Gold Limited (ASX: TLG; "Talga" or "the Company") is pleased to announce the updated JORC Mineral Resource estimate for the 100% owned Nunasvaara graphite deposit in northern Sweden.

The Indicated and Inferred estimate for Nunasvaara now totals **7.6 million tonnes at 24.4% Cg when applying a 10% Cg cut-off, a 110% increase in size (tonnage) over the previous estimate, with 5.6 million tonnes at 24.6% Cg in the Indicated category.** Details of the Mineral Resource are shown in Table 1 and parameters relevant to the estimation are provided in Appendix 1.

Table 1. Nunasvaara November 2012 Mineral Resource Estimate (10% Cg cut-off grade).

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

This estimate has been calculated by qualified independent consultant CoxsRocks Pty Ltd and is reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004), the "JORC" Code.

The growth in the resource and upgrading of the majority of the tonnes to Indicated status follows Talga's successful maiden drilling campaign of July, and reflects additional mineralisation defined along strike and down-dip of historic drilling (Fig 1). Total contained graphite has increased 123% to 1.85 million tonnes, more than double the size of the previously reported estimate (3.6Mt @ 23% Cg containing 828,000 tonnes reported ASX:TLG 28 Feb 2012).

Graphite mineralisation remains open along strike and at depth, with geophysical data and mapping suggesting potential for further expansion. In addition the assay results of a recent rock geochemical program are pending and will be reviewed with the aim of drilling extension targets in conjunction with geotechnical drilling for mining studies.

Managing Director, Mark Thompson said "Our targeted upgrade in size and status of this major graphite resource to support a 20 year open-cut mine life has been exceeded by a considerable margin. The deposit represents a significant new source of graphite not only for Europe, which in 2011 had to import approximately 170,000 tonnes natural graphite\*, but is one of the largest amounts of contained graphite defined by JORC or NI43-101 codes anywhere in the world (Fig 2). The increased status and size of the resource will be utilised in preliminary economic studies due to commence in December."

\*source; "Natural & Synthetic Graphite: Global Industry Markets & Outlook, 8<sup>th</sup> Edition 2012, Roskill.

### Location

The Nunasvaara graphite deposit is located in northern Sweden approximately 50km east of the city of Kiruna (Fig 3). Nunasvaara is one of several graphite deposits that occur over 15km of strike within Talga's 100% owned Vittangi project. Additional graphite has been identified on Talga's adjacent Mörttjärn and Maltosrova prospects, located 15km from the Nunasvaara deposit. Talga also has a further three graphite projects in north Sweden that host multiple prospects and deposits that may offer operational synergies with Nunasvaara.

### Geology

At Nunasvaara graphite is hosted by meta-argillite that occurs between dolerite and mafic volcanics of the Proterozoic Vittangi Greenstone Group. The graphite unit outcrops and dips approximately 70° to the west and north with an average 20m true width over at least 1300m strike. Locally the graphite unit attains grades up to 44% Cg. Preliminary petrography indicates graphite mineralisation is microcrystalline to crystalline with a size range of <10-300 microns. Quantitative data on size distribution will be determined as part of metallurgical testwork to be undertaken in the preliminary economic study. Graphite has been identified over 15km of strike with approximately 8% of this strike length drill tested to date.

For further information, please contact:

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Fig 1. Nunasvaara Indicated resource block model Nov 2012

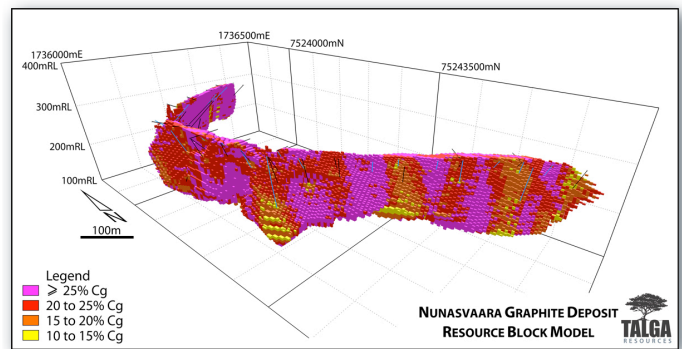
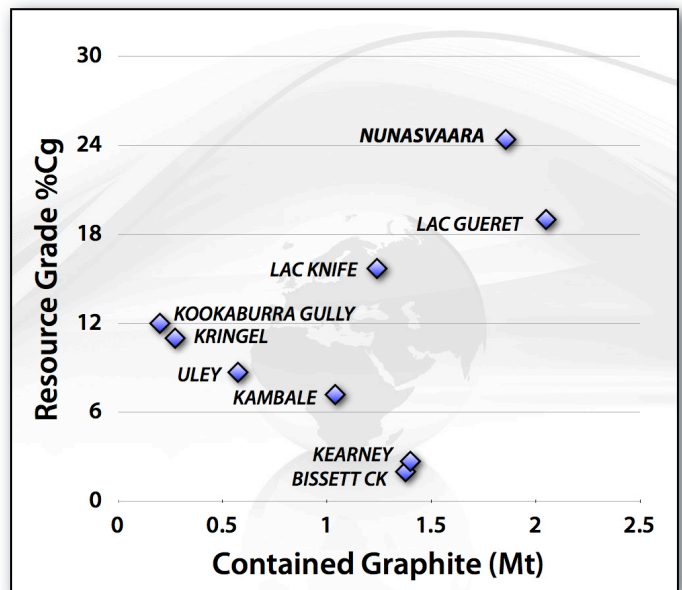


Fig 2. Contained Graphite vs Resource Grade Peer Comparison.

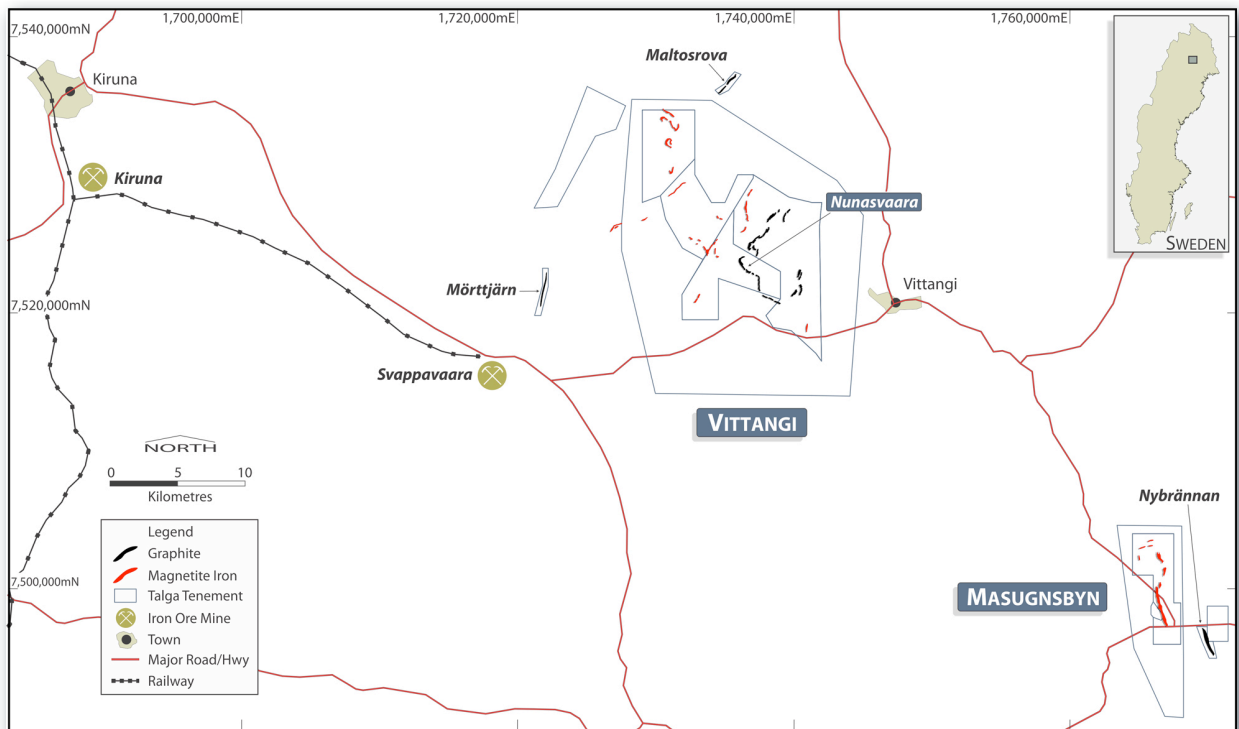


Note: Source TMR Advanced Graphite Projects Index of JORC & NI43-101 mineral resources Oct 2012 and Company Reports. Deposits > 0.2Mt plotted.

Fig 3. Talga tenement locations, graphite projects and established transport infrastructure, Sweden.



Fig 4. Talga's graphite and iron deposits in the Vittangi area.



## Appendix One

### *Resource Estimation Methodology - Nunasvaara Graphite Deposit: Indicated & Inferred*

Data used in the Nunasvaara Graphite Resource Estimate comprised 39 approximately NQ diameter diamond holes (3646 total metres) and 12 costeans (415 metres total length) along the entire strike length of the deposit (1300 metres). Drill hole spacing was on nominal 50 metre sections. The Indicated resource is estimated to a maximum vertical depth of 125 metres and the Inferred resource is estimated to a maximum vertical depth of 165 metres.

Talga drilled 19 holes for 1697 metres to infill and confirm historical drilling. Results of recent drilling compared favourably to historic drilling, with Talga's new drilling extending the resource along strike and down dip and resulting in an increase in the confidence level.

Analysis of all mineralised intervals from recent drilling was undertaken at the ALS-Chemex laboratory in Piteå, Sweden. Individual samples were typically taken over two metre sections of core. Certified reference materials were inserted every 23<sup>rd</sup> (Carbon CRM), 24<sup>th</sup> (Gold CRM) and 25<sup>th</sup> sample (Blank CRM) with satisfactory results obtained. Total S and total C were determined using a LECO analyser, with organic (graphitic) carbon determined by first digesting the sample in dilute hydrochloric acid prior to determination with the LECO analyser. Au, Pt and Pd were determined using a 30g lead fire assay with ICP-AES finish. A further suite of 48 elements were analysed using a four acid digest with an ICP-MS finish.

The Swedish RT90 coordinate system was utilised for the drilling, with new and historic drill collars surveyed using an RTK-GPS. Talga completed systematic bulk density determinations on drill core from the recent program (n=147) with the average bulk density of the mineralised unit being 2.65 g/cm<sup>3</sup>. A bulk density of 2.60g/cm<sup>3</sup> was used for the resource estimate.

Interpretation on section was completed with the outlines wireframed together to form coherent validated shapes. The grade estimation method was ID2 of values lying within validated wireframes (solids) with only the assays from the individual wireframes/solids used for the interpolation.

Parent block sizes were set at 5m (x), 10m (y) and 5m (z), with the sub-cell size down to half of the parent cell size. The resource estimate has been classified based on data density, data quality, confidence in the geological interpretation and confidence in the estimation.

**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, 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 owns 100% of six 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.*