

2016 Graphite Trial Mining Commenced

Talga Resources Ltd

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Corporate Information

ASX Code: **TLG**

Shares on issue **146.3m**

Options (listed) **44.9m**

Options (unlisted) **24.8m**

Company Directors

Keith Coughlan

Non-Executive Chairman

Mark Thompson

Managing Director

Grant Mooney

Non-Executive Director

Stephen Lowe

Non-Executive Director

Advanced materials company, Talga Resources Ltd (“**Talga**” or “**the Company**”)(ASX:TLG), is pleased to announce that it has commenced its second trial graphite ore mining campaign at the Vittangi project in Sweden (“Vittangi”).

Talga intends extracting ~2,500 tonnes as required to feed Talga’s upscaled pilot test work facility in Germany and continue developing the Company’s proprietary graphene production process and related products.

The 2016 trial mine is extending and deepening last year’s open pit site (see ASX:TLG 25 June & 20 July 2015) and similarly extracting whole multi-tonne blocks of graphite ore from within the total 2012 JORC resource of 9.8 million tonnes @ 25.3% graphite (see ASX:TLG 30 May 2016, Table 1 and Fig 1-5).

The Company is also adopting improved mining processes compared to the 2015 campaign with significant differences including:

- Larger, tailor-made and automated ore block cutting equipment for improved efficiencies and lower unit costs; and
- Ore blocks will be stockpiled in Sweden and delivered to Talga Advanced Materials GmbH in Germany by truck as required.

The trial mining campaign is scheduled to be completed by 30 September, after which the site will be rehabilitated and potential future trial mining campaigns will be scoped and reviewed.

Talga Managing Director Mark Thompson commented:

“We are delighted to be underway with trial mining at Vittangi again and demonstrating innovation in graphite mining and ore processing very new to Sweden, and in fact the world. This low impact and efficient approach has multiple benefits compared to traditional open pit extraction and affords sufficient feed to support the rapidly growing German test work processing operations.”

Table 1 - Nunasvaara JORC 2012 Mineral Resource (10% Cg low cut-off).

Resource Category	Tonnes	Graphite (%Cg)
Indicated	6,900,000	24.2
Inferred	2,900,000	28.1
Total	9,800,000	25.3



Trial Mining Background

A permit for trial mining was issued by the Swedish Environmental Review Commission (see ASX 2nd April 2015) over part of Talga's exploration licence and is valid to 30 September 2018. This allows extraction of up to 2,000 cubic metres total (~5,000 tonnes) graphite ore for pilot test processing into graphene and graphite products.

For further information, visit www.talgaresources.com or contact:

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Figure 1 Vittangi graphite project location.



Figure 2 Expanding trial mine benches.



Figure 3 Examining expansion slot.



Figure 4 Wire-cut machine.



Figure 5 Preparation of first graphite ore block extraction level for 2016 at Talga's Vittangi project.



Competent Person's Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled and reviewed by Mr Simon Coxhell, a consultant to the Company and a member of the Australian Institute of Mining and Metallurgy and Mr Mark Thompson, who is an employee of the Company and a member of the Australian Institute of Geoscientists. Mr Thompson and Mr Coxhell have sufficient experience which is relevant to the activity which is being undertaken to qualify as a "Competent Person" as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, mineral Resources and Ore Reserves" ("JORC Code"). Mr Thompson and Mr Coxhell 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 2012 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.

About Talga

Talga Resources Ltd ("Talga") (ASX: TLG) is an industrial minerals company developing graphene and micrographite products for the advanced materials market.

Target markets include coatings, energy storage, construction products and composites, with Talga products having significant potential advantages in value and application range - owing to unique ore and patent pending process technology.

Talga sources graphite ore from its 100% owned deposits in Sweden, with pilot test processing at the Company's pilot test facility in Germany. Construction of commercial scale mining operations and on site processing plant in Sweden will commence post mine permitting and completion of commercial supply agreements. Collaborative testing is underway with a range of corporations including industrial conglomerate Tata and UK listed Haydale.