



DRILLING COMMENCES AT VITTANGI HIGH GRADE GRAPHITE PROJECT IN SWEDEN

Talga Resources Ltd
ABN 32 138 405 419

1st Floor, 2 Richardson St,
West Perth, WA 6005

T: +61 8 9481 6667

F: +61 8 9322 1935

www.talgaresources.com

Corporate Information

ASX Code **TLG**

Shares on issue **124.6m**

Options (listed) **7.74m**

Options (unlisted) **7.85m**

Company Directors

Keith Coughlan

Non-Executive Chairman

Mark Thompson

Managing Director

Grant Mooney

Non-Executive Director

Highlights:

- Diamond core drilling program has commenced at the Vittangi graphite/graphene project
- Targeting extensions of Nunasvaara-type graphite mineralisation at five sites over ~7km of strike
- Drilling complete at the Kiskama IOCG project in Sweden

Talga Resources Limited (ASX: TLG) ("Talga" or "the Company") is pleased to report that drilling has commenced at its 100% owned Vittangi high grade graphite project ("Vittangi") in northern Sweden (see Fig 1).

The diamond core drill program comprising approximately 10 holes for 1,200m is planned to test five sites over 7km of strike extending from the Nunasvaara deposit (see ASX:TLG 1 September 2014). The program is expected to take 4 weeks to complete and results will be available approximately 4 weeks after completion. Drilling has commenced at drill site NunSE1 (see locations of drillsites on Fig 2).

Previously at Vittangi Talga defined an initial JORC¹ Indicated and Inferred resource of 7.6Mt @ 24.4% graphite ("Cg"), calculated over approximately 1,200m strike and to 165m depth (see Appendix 1 for details) at the Nunasvaara deposit. The resource occurs within a distinctive graphite unit that strikes for approximately 32Km length as defined by recent outcrop mapping, rock chip sampling, EM surveys, trenching and drilling. This first drilling program at Vittangi since 2012 will highlight the potential for a significant increase in the size of the Nunasvaara resource if warranted for future development.

Drilling at Kiskama Completed

The drilling program (see ASX:TLG 1 September 2014) at the 100% owned Kiskama iron oxide copper gold ("IOCG") project has been completed as planned. Four diamond core holes for 425m successfully intercepted targeted lithologies and drill sample assay results are expected in the latter half of October.

Mark Thompson

Managing Director
Talga Resources Ltd

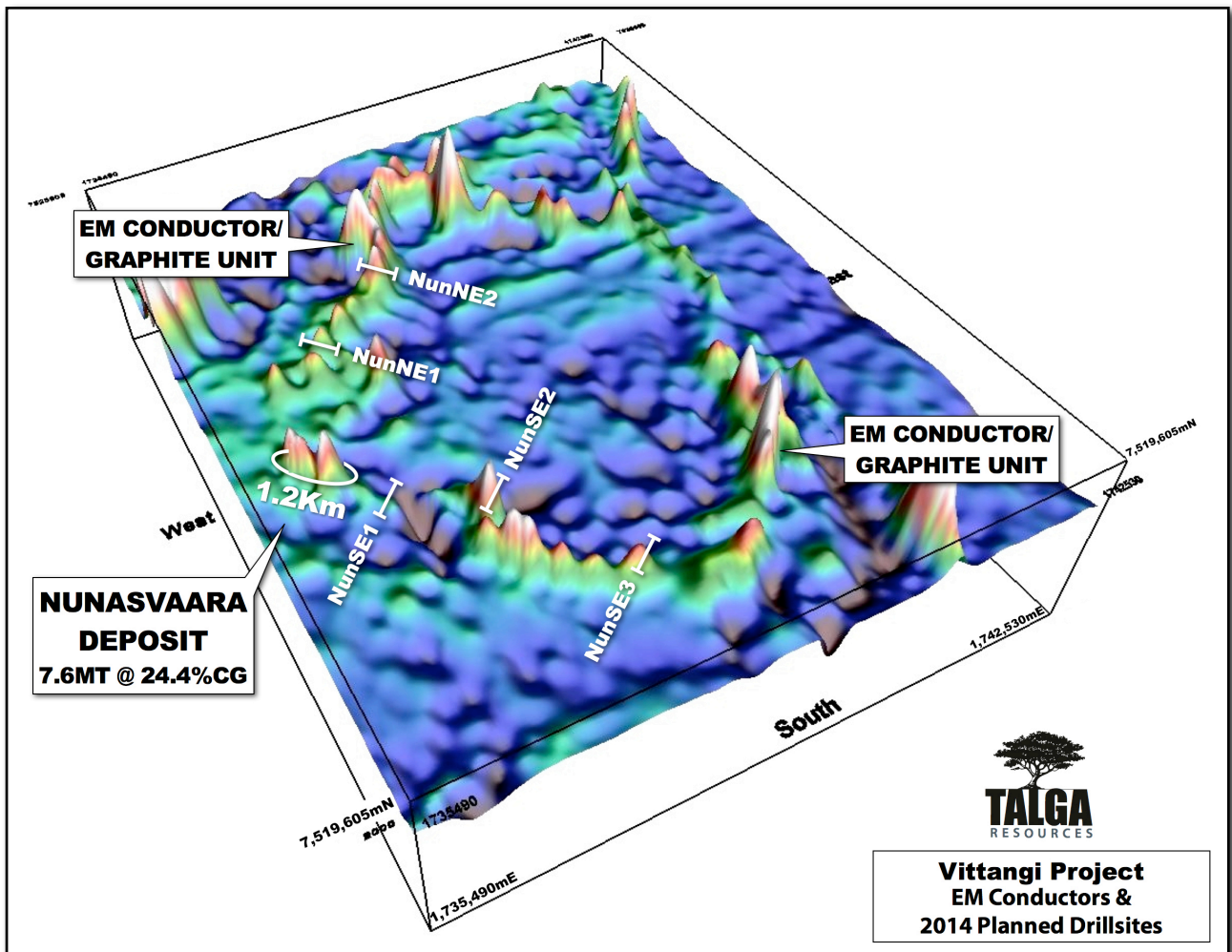
Tel +61 (08) 9481 6667 Email admin@talgaresources.com

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Fig 1. Location map of Talga's 100% owned projects in Sweden, highlighting graphite projects.



Fig 2. Vittangi project EM conductor schematic image and planned 2014 diamond core drill sites



Appendix 1.

Nunasvaara Mineral Resource (2004) (@10% Cg lower cut-off) Nov 2012

JORC 2004 Classification	Tonnes (Mt)	Grade %graphite
Indicated	5,600,000	24.6%Cg
Inferred	2,000,000	24.0%Cg
Total	7,600,000	24.4%Cg

1 Note: This information was prepared and first disclosed under the JORC code 2004. It has not been updated since to comply with the JORC code 2012 on the basis that the information has not materially changed since it was last reported. The Company is not aware of any new information or data that materially affects the information included in the previous announcement and that all of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Mr Mark Thompson, who is a member of the Australian Institute of Geoscientists. Mr Thompson is an employee of the Company and has 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 consents 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.