



TRIAL MINING SITEWORKS COMMENCE AT TALGA'S GRAPHITE-GRAPHENE PROJECT

Highlights:

- Site works underway at Talga's Vittangi graphite-graphene project
- Mining contractor on site and top soil clearing has exposed ore zone
- Preparatory work indicates continuity of high grade graphite mineralisation from previous testwork into trial mine zone
- Trial mining of ore to commence in July
- First ore to arrive at the German graphene pilot plant facilities in August

Perth based technology materials company, **Talga Resources Limited** ("Talga") (ASX: TLG), is pleased to announce commencement of site works in relation to its trial mining program at the Vittangi graphite project ("Vittangi") in northern Sweden (Fig 1-2).

The trial mining permit was issued by the Environmental Review Commission (see ASX 2nd April 2015) under Talga's exploration licence. Since the permit issue date all remaining clearances have been secured (mining, environmental and stakeholder bonds, Mines Department consent, landowner and other stakeholder compensations etc) and Talga has mobilised staff and contractors to site. Heavy equipment is on site and works have commenced with top soil clearing which has revealed the ore zone (Fig 4-5) adjacent to an existing historical pit at the Nunasvaara deposit. Where exposed, the ore zone is visibly continuous from the historically mined pit area and the underlying drilled mineralisation that is part of the Nunasvaara mineral resource¹ of 7.6Mt at 24.4% graphite.

Talga anticipates that the graphite ore extraction program will commence in mid-July and sawn blocks of raw graphite ore will be transported to its Rudolstadt storage/processing facility for liberation into graphite and graphene products for industry end-user sampling.

Figure 1 - Commencement of site works at Nunasvaara deposit of the Vittangi project.



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Corporate Information

ASX Code **TLG/TLGO**

Shares on issue **138.36m**

Options (unlisted) **11.90m**

Options (listed) **7.72m**

Company Directors

Keith Coughlan

Non-Executive Chairman

Mark Thompson

Managing Director

Grant Mooney

Non-Executive Director

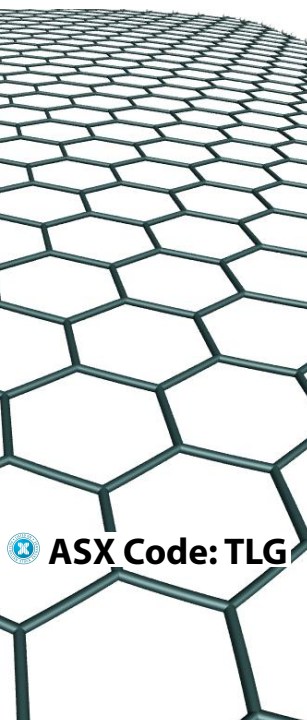
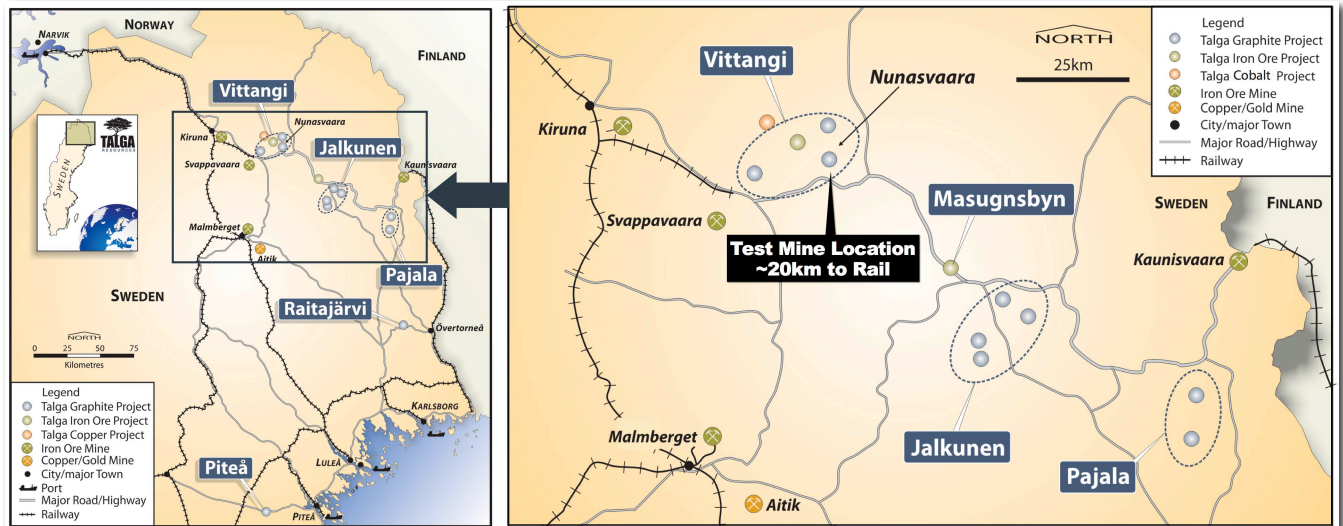


Figure 2 - Location plan of Talga projects, local mining operations and road/rail infrastructure.



In recent weeks, Talga's Swedish team has been fencing and surveying, clearing and stockpiling soil, improving access roads and generally preparing the site to commence trial mining (Fig 3). The trial mine permit is valid until 30th September 2018 and covers the removal of up to 2,000 cubic metres of graphite ore within a specified part of the Nunasvaara resource¹ area. Given that this is the first known application of a quarrying technique as it applies to graphite mining, the exact quantity of ore to be extracted in 2015 will be determined during the trial mining program, with potential for the balance to be extracted under the existing permit in 2016. In line with local authority requirements, the 2015 trial mining program is scheduled to be complete by 30th September, after which the scope of further trial mining programs will be reviewed.

Figure 3 - Surveying of trial mine site.



Talga Managing Director Mark Thompson commented *"The commencement of mining operations is progressing and we are delighted that the ore extraction phase will continue close to our scheduled timing. It is also extremely encouraging that site preparations have revealed under shallow cover what our drilling had indicated - being a fresh, homogenous and consistent body of what looks like high quality ore for us to trial mine. We're on track to prove and optimise our mining method and feed the pilot plant with sufficient material to create large volume graphene samples while the pilot plant undergoes incremental scale-up. This is the first stage of the innovative mine and process model Talga has developed to become a global leader in graphene supply."*

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Figure 4 - High grade ore zone exposed after soil clearing/stockpiling.



Figure 5 - Close up view of high grade graphite block exposed in trial mine ore zone.



Figure 6 - Site works commence adjacent to historical graphite open cut.



Figure 7 - Part of the graphite ore block cutting equipment arrives on site.



About Talga

Talga Resources Limited ("Talga") (ASX: TLG) is a Perth headquartered resources and technology materials company with its own source of integrated supply from multiple advanced and high grade graphite projects in northern Sweden. The flagship project "Vittangi" is at development stage and like the rest of the projects, it benefits from established high quality infrastructure in Sweden including proximity to grid power, road, rail and ports.

Two of the five graphite projects have unique ore that allows graphite and graphene to be liberated in a ground breaking and extremely cost effective way. The graphene produced is of a high quality and suitable for a range of large volume composite and additive applications as well as high technology applications.

Talga's legacy non graphite assets in Sweden and Australia, including a cobalt-rich IOCG, are all to be commercialised to provide funds for the core graphite projects.

1 The Vittangi graphite project Mineral Resource (Nunasvaara deposit) estimate was first reported in February 2012 and has not been updated to comply with the 2012 JORC Code. The Company is not aware of any new information or data that materially affects the information included in the relevant market releases for this estimate. The Company confirms that all material assumptions and technical parameters underpinning the estimate in the relevant market releases continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified.

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 an employee of the Company and a member of the Australian Institute of Geoscientists and Mr Simon Coxhell, a consultant to the Company and a member of the Australian Institute of Mining and Metallurgy. 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.
