



SALE OF TALGA'S AUSTRALIAN GOLD PROJECTS

Talga Resources Ltd

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Corporate Information

ASX Code **TLG/TLGO**

Shares on issue **124.59m**

Options (unlisted) **8.10m**

Options (listed) **7.72m**

Company Directors

Keith Coughlan

Non-Executive Chairman

Mark Thompson

Managing Director

Grant Mooney

Non-Executive Director

Highlights:

- Talga executes HOA for the purchase all of its Australian gold assets by Caledonian Capital Ltd
- The sale price is \$AUD1.3 million in cash - payable as a \$50,000 non refundable deposit, \$250,000 post 3 months due diligence and the balance of \$1 million on or before the 4th anniversary of due diligence
- Early purchase of an individual project is possible with Talga's approval. No equity in any project until full purchase price paid.

Perth based high tech materials company, Talga Resources Limited ("Talga") (ASX: "TLG"), is pleased to announce that it has agreed to grant Caledonian Capital Ltd ("Caledonian") an option to purchase all of its Australian gold assets (the "Option") comprising Bullfinch, Mosquito Creek, Talga Talga and Warrawoona (collectively "the Projects"). The binding heads of agreement ("HOA") has been executed by both parties and a non-refundable \$50,000 deposit has been received. Caledonian is a public unlisted Company with management based in the UK and South Africa.

The Option to purchase the Projects is subject to Caledonian being satisfied with its maximum three month due diligence and payment of a further non refundable \$250,000. The acquisition must be completed within 4 years at which point full ownership of the Projects would transfer to Caledonian upon settlement of the remaining \$1,000,000 in cash.

If Caledonian exercises the Option, it must purchase all the Projects unless written agreement is provided by Talga for the purchase of each Project as a separate asset (in which case the purchase price for each Project will be \$250,000).

Talga retains 100% equity in the Projects until full acquisition and is due a 2.25% gross royalty payable on the net smelter return of gold, diamonds and all other minerals extracted from the Projects during the Option period, and 1.5% in perpetuity thereafter.

The Board of Talga believe this to be an excellent outcome where the Company can focus, with less distraction, on its graphene and graphite opportunities. Proceeds from the sale and any royalty payments will be applied directly to Talga's technology materials development program in Sweden.

For further information, please contact:

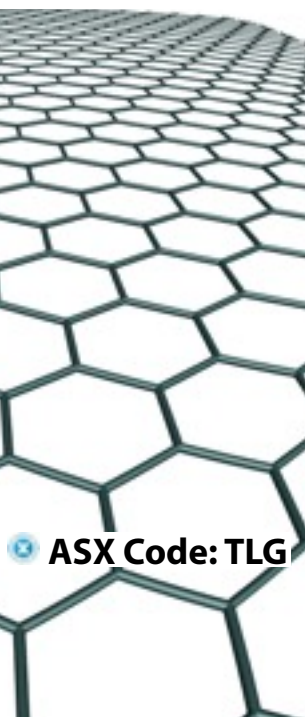
Talga Resources Ltd.

Mark Thompson

Managing Director

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