

Sale of Talga's Australian Gold Projects

Highlights

- Talga executes Option Agreement for the sale of three of its four Australian gold assets to Beatons Creek Gold Pty Ltd.
- Upon exercising the Option, Beatons Creek can elect to purchase all or some of the Projects. No equity in any project until full project purchase price paid.
- The total sale price is up to \$AUD1.0 million in cash and a royalty on production - payable as a \$50,000 non-refundable deposit, \$200,000 within 4 months and the balance of up to \$750,000 before the 2nd anniversary of the Option Agreement.

Talga Resources Ltd ("Talga"), is pleased to announce that it has granted Beatons Creek Gold Pty Ltd ("Beatons") an option to purchase three of its Australian gold assets (the "Option"). The Option pertains to the Mosquito Creek, Talga Talga and Warrawoona Projects (collectively, "the Projects") located in the Pilbara region of Western Australia.

Beatons, a wholly owned subsidiary of Novo Resources Corporation ("Novo"), recently acquired 100% ownership of three mining leases at Beatons Creek from Millennium Minerals Limited. These mining leases form part of Novo's Beatons Creek gold project near Nullagine in the East Pilbara district of Western Australia. The Option has been executed by both parties and a non-refundable \$50,000 deposit has been received by Talga.

The Option can be exercised within an initial four month period unless Beatons pay a further non-refundable amount of \$200,000 to extend the Option period to two years. If Beatons exercises the Option, it can purchase 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 the purchase price is paid in full.

Talga will be due a 2.25% gross royalty payable on the net smelter return of minerals extracted from any of the Projects prior to exercise of the Option, and 1.5% in perpetuity thereafter.

The Board of Talga believes this to be an excellent outcome. The Company can now 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 graphite and graphene developments in Sweden and Germany.

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

Mark Thompson
Managing Director
Talga Resources Ltd
T: + 61 (08) 9481 6667

