



 **ASX Code: TLG**

Talga Resources Ltd

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Corporate Information

ASX Code **TLG**

Shares on issue **53.30m**

Options (unlisted) **4.85m**

52 week high **A\$0.77**

52 week low **A\$0.12**

Cash (at 31 Oct) **A\$2.6m**

Company Directors

Sean Neary

Non-Executive Director &
Chairman

Mark Thompson

Managing Director

Piers Lewis

Non-Executive Director &
Company Secretary



TALGA SIGNS WATERSHED AGREEMENT WITH PORT OF LULEÅ

Luleå (Sweden): Swedish-focussed minerals developer Talga Resources (ASX: TLG) ("Talga" or "the Company") is pleased to announce a significant milestone in the development of the company's high-grade graphite assets in Sweden.

Talga has signed a non-binding Memorandum of Understanding (MOU) with the Port of Luleå (PoL) regarding the allocation of port space allowing up to 80,000 tonnes of graphite concentrate or more advanced products to be exported from Sweden. PoL is the sole operator of the public harbour in the north of Sweden.

The possibility of securing a port as the primary export solution is a key component of economic studies being carried out by Talga on its Nunasvaara graphite project in Sweden's world-class Kiruna mining district.

The MOU provides a framework between the parties towards securing a binding Port Terminal Services Access Agreement (PTSAA) in the future and utilising the integrated sea-logistics system at Luleå. Talga is targeting 2015 for its first production.

Luleå is the largest bulk goods port in Sweden with the annual volume of goods handled exceeding nine million tonnes. Approximately 700 vessels call at the Port of Luleå every year, many with a loading capacity of more than 55,000 tonnes each. Commodities handled include coking coal, magnetite, steel and bentonite. The PoL operates year round.

The Managing Director of PoL, Mr Roger Danell said: "The MOU paves the way for discussions in the coming months that we aim to culminate in an agreement between the two parties to facilitate the export of Talga's products. We look forward to working with Talga on this exciting venture".

Speaking at the signing ceremony in Luleå, Talga Resources Managing Director, Mark Thompson said: "Since commencing exploration and development in Sweden in June this year, Talga has achieved a number of significant operational milestones over a short space of time.

"The selection of the Port of Luleå as our export gateway for the company's high-grade graphite assets is the right option to achieve our future export objectives. If we do not have port access, we will not have a graphite project. This MOU therefore represent an important milestone for Talga's shareholders," Mr Thompson said.

For further information contact:

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Fig 1. Location map of Talga's graphite projects and established transport infrastructure in northern Sweden.

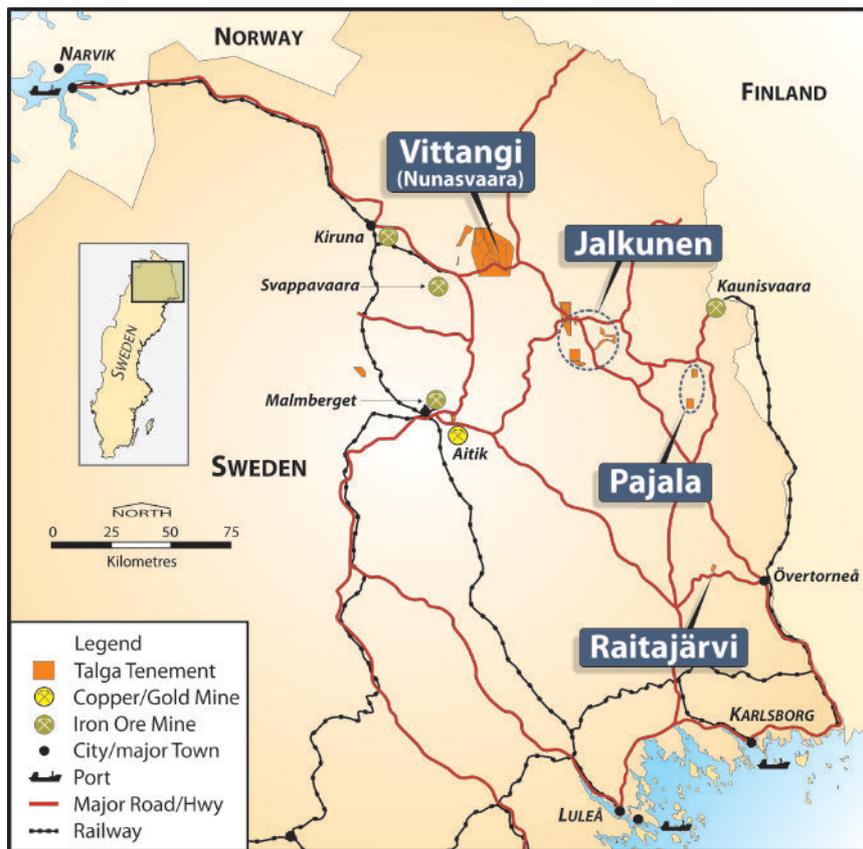


Fig 2. L-R Roger Danell (Managing Director Port of Luleå) and Mark Thompson (Managing Director Talga Resources Ltd)



ABOUT TALGA RESOURCES

Talga Resources (**Talga**) (ASX: "TLG") is a diversified mineral explorer with a portfolio of graphite, iron, copper and gold projects in Sweden and Western Australia.

Since listing in July 2010, Talga has been actively exploring its portfolio of gold projects in the Yilgarn and Pilbara regions of Western Australia. In 2011 and 2012, Talga identified and subsequently acquired a number of graphite, iron and IOCG projects in Sweden.

GRAPHITE

Talga wholly owns a portfolio of advanced and high grade graphite projects in the Kiruna Mineral District of northern Sweden.

The immediate focus is to advance multiple graphite projects towards development, with fast-tracking available due to the advantage of established quality infrastructure including power, road, rail and ports. Initially this will entail preliminary economic studies (scoping/pre-feasibility) on the existing high grade graphite resources published for Nunasvaara and Raitajärvi.

Additionally, it is also the Company's objective to complete drilling on a number of other projects, including the multiple JORC-code compliant exploration targets¹ associated with the Vittangi, Jalkunen and Pajala projects.

IRON

Talga wholly owns exploration permits in the Kiruna mineral district containing significant iron ore deposits with considerable growth upside based on historic drilling and JORC compliant indicated to inferred resources and exploration targets.

Talga's strategy is to advance the iron ore projects within the area and at an appropriate stage consider options to commercialise these assets either in their own right or in conjunction with other parties.

GOLD

Talga is actively exploring high grade gold projects in the Yilgarn and Pilbara regions of Western Australia. Additionally the Company owns several copper/gold projects within its Sweden portfolio.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Mr Darren Griggs and Mr Mark Thompson, who are members of the Australian Institute of Geoscientists. Mr Griggs and Mr Thompson are employees of the Company and have sufficient experience which is relevant to the activity to which is being undertaken to qualify as a "Competent Person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Mr Griggs and Mr Thompson 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 2004 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.